
Original Research Article

Constraints and Suggestions of the respondents about Pradhan Mantri Fasal Bima Yojana in East Champaran district of Bihar

Abstract

The goal of the current study was to determine the obstacles and recommendations for the 2022–2023(December-February) Pradhan Mantri Fasal Bima yojana in the East Champaran region of Bihar. There were 120 randomly chosen respondents who completed a pre-tested schedule provided the data. The proper statistical tools were used to tabulate, analyses, and interpret the acquired data. According to the study, the majority of respondents (55.83%) were middle-aged, and (68.33) farmers held a medium amount of land. Farmers perceived major constraints Low premium paying capacity of member farmers of gram Panchayat, as a very serious problem by a number of respondents. with the majority of respondents having medium level economic motivation and risk orientation.

Keywords: Constraints, Suggestions.

Introduction:

Agriculture is a source of livelihood for about 75.00 per cent of the Indian population. Our farming is still subjected to the natural calamities and uncertainties in crop yield. Therefore, there is a need to provide relief measure to the farmers in the event of the crop failure due to natural calamities; such as drought, hailstorm, heavy rain in which the entire crop is lost. As a result of such losses, crop not only deprive farmers and their families for food but also liquidate their investments in terms of money and labour. Agriculture in India is highly susceptible to risks like droughts and floods. Farmers have developed risk management strategies to cope with these adverse events, sometimes with the assistance of the governments. It is necessary to protect the farmers from natural calamities and ensure their credit eligibility for the next season. For this purpose, the Government of India introduced many agricultural schemes throughout the country.

Jamanal and Naitikar (2019)

India is facing a “farmer crisis.” The agricultural sector, which contributes 16.1 percent of India’s GDP (as of 2017)(**World Bank**) supports the livelihoods of 43.9

percent of the 2 population(**World Bank**) The population employed in this sector has decreased by 10 percentage points within a decade, from 53.1 percent in 2008 to 3 43.9 percent in 2018(**IBID**)

Insurance is a transfer of risk from one entity to another, by paying a small amount of premium to avoid a huge loss in future. Crop insurance is the same applied to agricultural farms where farmers pay a small amount of premium to get an assured income in case of crop loss in the near future. Benjamin Franklin was the first man to have thought about starting Crop Insurance in 1788. First crop insurance scheme (hail insurance) started during the 1820s in Germany and France for Grapes, and the first Multi-Peril Crop Insurance (MPCI) started in the US in **1939 (Rao, 2012)**.

Crop insurance also aids in maintaining farm income stable by promoting technology, boosting investment and increasing flow of credit to the agricultural sector. Self-respect and self-reliance of farmers are enhanced by crop insurance as the farmer demands as a matter of right, for the compensation in case of crop loss (**Chandrakanth and Rebello, 1980**).

The idea of the crop insurance in India started with Mr. J. S Chakravarthi, Ex-Officio Financial Secretary to the Government of Mysore who made the first attempt to introduce the drought protection scheme in **1915 (Rajaram and Chetana, 2016)**. Pradhan Mantri Fasal Bima Yojana was launched in 18th February 2016 by respected Prime Minister Shri Narendra Modi. It is an insurance service for farmers for their yields. It was formulated in line with One Nation–One Scheme theme by replacing earlier two schemes National Agricultural Insurance Scheme (NAIS) and Modified National Agricultural Insurance Scheme (MNAIS) by incorporating their best features and removing their inherent drawbacks (shortcomings). It aims to reduce the premium burden on farmers and ensure early settlement of crop assurance claim for the full insured sum PMFBY aims to provide a comprehensive insurance cover against failure of the crop thus helping in stabilizing the income of the farmers. The Scheme covers all Food & Oilseeds crops and Annual Commercial/Horticultural Crops for which past yield data is available and for which requisite number of Crop Cutting Experiments (CCEs) are being conducted under General Crop Estimation Survey (GCES).

PMFBY is a transformative scheme. It envisages a universal subsidized agricultural insurance scheme that is farmer friendly and fair. However, at the state level, its vision is diluted. At the district level, its implementation is seriously compromised. PMFBY is a classic case of poor implementation of a great scheme. On our field visits, we found considerable dissatisfaction among the farmers with

regard to PMFBY implementation on the ground. Farmers in Haryana and Uttar Pradesh have opposed the deduction of premium. There have been protests by farmers against this scheme. Some farmer activists of Haryana have even approached the court to dismantle PMFBY, as they believe the scheme does not represent their concerns. In Haryana, PMFBY is referred to as Jabri Fasal Bima Yojana. (Performance of National Agricultural Insurance Scheme)

The Pradhan Mantri Fasal Bima Yojana is a crop insurance scheme that improved upon its predecessors to provide national insurance and financial support to farmers in the event of crop failure: to stabilise income, ensure the flow of credit and encourage farmers to innovate and use modern agricultural practices. e.Pradhan Mantri Fasal Bima Yojana (PMFBY) is a crop insurance scheme that outperforms its predecessors by providing national insurance and financial support to the farmers in the event of crop failure: to stabilize income, ensure credit flow and encourage farmers to innovate and employ contemporary agricultural practices. A detailed examination of the system and its execution, however reveals that the PMFBY suffers from the same flaws as the preceding plans. This is a brief attempt to evaluate the PMFBY's performance

The government has taken some initiatives for agricultural development as well as the extension to benefit the farmers in the state, which is noticed through the increase in production over last five decades. Farmers in the districts are already taking new innovative ideas or techniques for their development and also to overcome the problems in various fields of agriculture. We select the exploratory research design for the study. The main aim is to collect the necessary information from the farmers and to make it fulfill and to know the knowledge and attitude of farmers towards crop insurance scheme. This helps policymakers and government to initiate new crop insurance schemes with broad aspects. This initiative helps farmers to uplift their socio-economic conditions.

I . Materials and Methods:

The research study was concluded in East Champaran district of Bihar start during the year 2022-2023. East Champaran district was purposively selected for the study. In Chiriya block, 5 villages were selected randomly for study. Thus, in all 120 constituted sample for the investigation. Based on the objectives of study, an interview schedule was prepared and descriptive research design should be followed for the present study. The respondents were asked for suggestions on how to overcome the challenges they faced in implementing the

Crop Insurance Scheme. The suggestions were grouped by frequency and percentages. The information was elucidated from respondents with the help of structured scheduled through descriptive research design. The information was collected by personally interviewing respondents using structured interview schedule.

II. Results and Discussions:

A. Socio Economic Profile

Table no. 1 Socio economic Profile of the respondents.

S NO.	Variables	Frequency	Percentage
1.	Young(<31years)	31	25.83
	Middle(31-45)	67	55.83
	Old(46and above)	22	18.33
02.	Education		
	Illiterate	14	11.67
	Primaryschool education	41	34.17
	Highschool education and above	65	54.16
03.	Family Size		

1	Small (up to 6 members)	75	62.5
2	Medium (7-14 member)	28	23.33
3	Large (15 and above)	17	14.16
	Total	120	100
04.	Family Type		
	Nuclear	75	62.50
	Joint	45	37.50
05.	Occupation		
	Agriculture only	89	74.17
	Labour	5	4.17
	Service	26	21.67
06.	LandHolding		
	Small	32	26.67
	Medium	82	68.33
	Large	6	5.00

07.	AnnualIncome		
	Low(up to 1 lakh)	21	17.50
	Medium(1- 3lakh)	89	74.17
	High(3 lakh&above)	10	8.33
08.	Source of Information		
	Low (16-19)	48	40.00
	Medium(20-21)	39	32.5
	High (22-24)	33	27.5
9.	Economic motivation		
	Low (06 to18 score)	35	29.16
	Medium (19 to 30 score)	52	43.33
	High (31 to 42 score)	33	27.5
10.	Risk Orientation		
	Low	32	26.67
	Medium	50	41.66
	High	38	31.66

A majority (55.73%) % of farmers were from the middle-aged group. In selected villages (88.33%) were literate, while (31.67%) of the illiterate respondent were doing agriculture only (74.17%), with (68.33%) of the medium type farmer having medium land holding, and (74.17%) of the respondent having medium income (1 lakh–3 lakh). It reveals that the majority of the respondents, accounting for 62.50% of the total sample, (40%) had a low score on information, the maximum farmer had a medium level of economic motivation (43.33%), and accounting for 41.66% of the total sample, had a medium level of risk orientation.

Table 2. Constraints faced by the beneficiaries (n= 120)

S No.	Constraints	Frequency	Percentage	Rank
1.	Low premium paying capacity of member farmers of gram Panchayat	98	81.67	I
2.	More time required forgetting compensation	96	80.00	II
3.	Lack of awareness regarding PMFBY	95	79.17	III
4.	Distance of commercial bank from village.	89	74.17	IV
5.	Individual assessment is not followed in the scheme	84	70.00	V
6.	Involvement of corruption while settling claims	83	69.17	VI
7.	Procedural formalities are very difficult in availing PMFBY	81	67.50	VII
8.	Subsidy amount of premium is very low and need to be Increased	79	65.83	VIII
9.	Lack of irrigation resources in the area.	69	57.50	IX
10.	Compulsory nature of PMFBY even though farmers are not Interested	51	42.50	X
11.	Inadequate payment of compensation	43	35.83	XI

Constraints given by the PMFBY for respondents are presented in table 2. “Low premium paying capacity of member farmers of gram Panchayat” has (81.67) per cent ranked first followed by “More time required forgetting compensation” has 80.00% contribution & ranked second followed by “Lack of awareness regarding PMFBY” has 79.17% contribution & ranked third, while “Distance of commercial bank from village” has 74.17% contribution & ranked fourth followed by “Individual assessment is not followed in the scheme” has 70.00% contribution & ranked fifth, and “Involvement of corruption while settling claims” has 69.17% and ranked sixth followed by “Procedural formalities are very difficult in availing PMFBY” has 67.50% & ranked seventh, and “Subsidy amount of premium is very low and need to be Increased” has 65.83% & ranked eighth followed by “Lack of irrigation resources in the area” has 57.50% & ranked ninth followed by “Compulsory nature of PMFBY even though farmers are not Interested” has 42.50% & ranked tenth, and lastly “Inadequate payment of compensation” has 35.83% & ranked eleventh.

Table 3. Suggestions given by beneficiaries (n=120)

S no.	Suggestions	Frequency	Percentage	Rank
1.	A greater number of crops are covered.	85	70.83	IV
2.	Improve linkages between banks and farmers	87	72.5	III
3.	Before the start of the next season, the claim should be distributed.	98	81.66	II
4.	Maintain universal premium for all crops	105	87.5	I
5.	Organising awareness programmes for farmers regarding PMFBY	68	56.66	VII

6.	At the village level, provide insurance services	79	65.83	V
7.	Representatives from financial institutions and policymakers should monitor and supervise the assessment	72	60.00	VI

It is suggested that PMFBY respondents presented in the study should maintain a universal premium for all crops (87.5%), and before the start of the next season, the claim should be distributed. (81.67%), and improve linkages between banks and farmers (72.5%). followed by a greater number of crops being covered (70.83%), followed by providing insurance services at the village level (65.83%), followed by representatives from financial institutions and policymakers monitoring and supervising the assessment (60.00%), and organising awareness programmes for farmers regarding PMFBY (56.67%).

Conclusions:

It is concluded that the majority (55.73%) % of farmers were from the middle-aged group. In selected villages (88.33%) were literate, while (31.67%) of the illiterate respondent were doing agriculture only (74.17%), with (68.33%) of the medium type farmer having medium land holding, and (74.17%) of the respondent having medium income (1 lakh–3 lakh). It reveals that the majority of the respondents, accounting for 62.50% of the total sample, (40%) had a low score on information, the maximum farmer had a medium level of economic motivation (43.33%), and accounting for 41.66% of the total sample, had a medium level of risk orientation. Constraints given by the PMFBY for respondents are presented in table 2. “Low premium paying capacity of member farmers of gram Panchayat” has 81.67 per cent ranked first followed by “More time required forgetting compensation” has 80.00% contribution. It is suggested that PMFBY respondents presented in the study should maintain a universal premium for all crops (87.5%), and before the start of the next season, the claim should be distributed. (81.67%), and improve linkages between banks and farmers (72.5%).(.) followed by a greater number of crops being covered

References:

Agriculture and Farmers Welfare Ministry, Government of India (www.pib.nic.in)

Ibid

Jadhav, S. And patil, S. 2014. Constraints Faced and Suggestions Made by Crop Insurance Beneficiaries. *Advances*. p.1868.

Jamanal and M. P. Potdar. 2019. Constraints and Suggestions Expressed by the Farmers in availing crop Insurance Schemes in Northern Karnataka. *Journal of Education, Society and Behavioural Science*: 1-5.

Jamanal, S. K. and Natikar, K. V. (2019) Attitude of farmers towards crop insurance scheme J. Exp. Zool. India 22(1): 221-228

Mani K, Chandrasekaran M and Selvanayaki S. 2012. Adaptability of crop insurance schemes in *Tamil Nadu. Agri. Econ. Res. Rev.*2012; 25 (2):279-290

Mohapatra, L. and Dhaliwal. 2013. An analysis of constraints faced by the farmers in availing agricultural insurance in Punjab. *Journal of Community Mobilization and Sustainable Development*, pp.253- 256.

Patel , J. B. Patel. 2016. Constraints faced by farmers in PMFBY. *Guj. J. Ext.* 93-95.
Sarangi, S.K. and Panigrahi, D. 2016. Crop Insurance, the Backbone of *Indian farming community-Issues and challenges*. *Int. J. Eng. Res. Appl*, 6(1), pp.39-47.

Performance of National Agricultural Insurance Scheme (NAIS), Chapter 4, ICAR National Institute (formerly Centre) of Agricultural Economics and Policy Research (NIAP). http://www.ncap.res.in/Agriculturalrisk&insurance/_private/chapter4%20pdf/4.3.pdf/4.3.2.pdf.

World Bank Open Data, World Bank, <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=IN>

World Development Indicators, World Bank,<http://wdi.worldbank.org>