



Pradhan Mantri Fasal Bima Yojana Provides Comprehensive Crop Insurance to Farmers at Highly Subsidized Premium Rates

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The actuarial/bidder/tendered premium rates are charged by implementing agencies under Pradhan Mantri Fasal Bima Yojana (PMFBY). However, extremely low premium rate across the country for the season is charged from the farmers, which is maximum 2% of sum insured for Kharif crops, maximum 1.5% of sum insured for Rabi crops and maximum 5% of sum insured for commercial/horticultural crops. Remaining part of actuarial premium is shared by the Central and State Government on 50:50 basis except North Eastern States (from Kharif 2020) and Himalayan States (from Kharif 2023) where it is shared in the ratio of 90:10. No additional premium over the premium rates stated above is required to be paid by the farmers.

Further, Operational guidelines of the scheme further provide for 3 Alternate Risk Transfer models other than standard PMFBY, namely cup and cap model (80:110), cup and cap model (60:130) and profit and loss sharing model, under which in case of claims below certain threshold, portion of the premium paid by the Government as subsidy will go back to the State treasury. States have been given the flexibility to choose the main scheme any one of these models.

State-wise details of number of farmer applications enrolled, premium paid by farmers, claims paid and number of farmers benefitted with claims under PMFBY are given in **Annexure**.

PMFBY provides for comprehensive risk insurance against crop damage from pre-sowing to post-harvest for food crops (cereals, millets and pulses), oilseeds and annual commercial horticultural crops notified by the concerned State Government. No classifications as low-risk or high-risk States has been made under the scheme. However, in order to diversify and spread the risk and cover high risk and low risk districts/areas within a State without any prejudice, the State Governments/UT Administrations are required to group the districts/ areas in such a way that each group contains a mix of districts/ area with different risk profiles. Prior to inviting the bid, the State/UTs Government, especially the large States, have to divide the State into multiple clusters of districts depending on the volume of risk associated in the crops and district/areas proposed to be notified under the Scheme. The purpose of clustering is to divide the States into different groups of districts, so that expected sum insured (ESI) becomes relatively low and risk is shared and diversified.

Due to the clustering of districts, risk profile of the cluster is normalized which is helping in lower bidder premium by the insurance companies under the scheme.

Annexure

PMFBY & RWBCIS: State-wise All India cumulative Coverage & Claims from 2016-17 to 2024-25

(as on 31.12.2025)

State/UT Name	Applications Enrolled	Farmers Share of Premium	Paid Claims	Benefitted Application
	(In Nos.)	(Rs. In Crore)		(In Nos.)
A & N Islands	2,920	0.05	0.28	668
Andhra Pradesh	43,721,809	795.15	5,580.50	6,027,897
Assam	6,292,239	35.51	736.64	1,092,550
Bihar	5,231,142	402.54	811.06	470,922
Chhattisgarh	43,544,255	1,627.25	7,655.14	11,193,836
Goa	3,891	0.19	0.15	728
Gujarat	8,394,495	1,499.42	5,751.25	2,936,454
Haryana	38,885,877	2,351.20	9,015.15	8,279,192
Himachal Pradesh	2,669,243	274.50	609.41	1,144,391
Jammu & Kashmir	961,267	67.91	157.25	266,250
Jharkhand	7,162,312	75.42	857.29	866,732
Karnataka	22,689,525	2,584.04	18,654.53	13,173,981
Kerala	963,528	76.17	743.48	580,672
Madhya Pradesh	101,937,385	6,819.97	31,737.14	30,477,707
Maharashtra	132,287,963	5,609.93	45,449.17	62,405,476
Manipur	38,748	3.75	10.51	27,757

Meghalaya	91,819	0.84	24.52	34,197
Odisha	65,485,335	1,154.56	7,183.89	11,332,214
Puducherry	197,676	1.44	21.20	48,608
Rajasthan	194,214,997	6,827.41	31,554.48	50,249,464
Sikkim	13,589	0.46	0.18	330
Tamil Nadu	38,175,078	1,396.90	15,575.48	18,160,066
Telangana	3,904,037	696.38	1,906.38	1,221,538
Tripura	1,400,683	3.78	12.29	133,265
Uttar Pradesh	52,945,889	3,100.02	5,805.18	9,161,593
Uttarakhand	2,000,181	344.79	1,361.97	1,067,212
West Bengal	13,805,173	305.51	1,262.78	1,914,960
Total	787,021,056	36,055.07	192,477.31	232,268,660

This information was given by Minister of State for Agriculture and Farmers Welfare, Shri Bhagirath Chaudhary in a written reply in Lok Sabha today.

RC/PU/DK

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