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GOVERNMENT OF KERALA
AGRICULTURE DEVELOPMENT & FARMER'S WELFARE
DEPARTMENT
PRADHAN MANTRI FASAL BIMA YOJANA (PMFBY)
KHARIF AND RABI 2020 ,2021 & 2022 SEASONS
NOTIFICATION

Reference is made to the Govt. of India, Ministry of Agriculture & Farmers' Welfare, Department of Agriculture, Co-operation & Farmers' Welfare, Krishi Bhavan, New Delhi letter No.13015/02/2015-Credit-II, dated 28th February 2020 regarding the Administrative Approval for implementation of the revamped Pradhan Mantri Fasal Bima Yojana(PMFBY) and also the Revised Operational Guidelines of PMFBY .

Accordingly the State Level Co-ordination Committee on Crop Insurance (SLCCCI) in its meeting held on 18.06.2020 has decided to implement Pradhan Mantri Fasal Bima Yojana (PMFBY) for Kharif and Rabi 2020, 2021 & 2022 Seasons in Kerala State. Subsequently the State Government vide its GO No. 578/2020/Agri dated 26.06.2020 authorized Director of Agriculture to issue detailed Notification of PMFBY and RWBCIS in the State and accordingly in exercise of the powers conferred by the Government ,now the following terms and conditions of Pradhan Mantri Fasal Bima Yojana (PMFBY) implementation are hereby Notified as given under:

1. IMPLEMENTING AGENCY

Pradhan Mantri Fasal Bima Yojana (PMFBY) for both Kharif and Rabi Seasons for 2020, 2021 & 2022 would be


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implemented in the State by the **Agriculture Insurance Company of India Ltd.**

2. RISKS COVERED AND EXCLUSION:

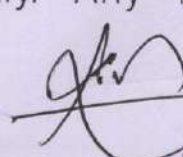
Following stages of the crop and risks leading to crop loss are covered under the scheme:

- a) **Prevented Sowing/ Planting Risk:** Insured area is prevented from sowing/ planting/germination due to due to deficit rainfall or adverse seasonal/weather conditions
- b) **Standing Crop (Sowing to Harvesting):** Comprehensive risk insurance is provided to cover yield losses due to non- preventable risks, viz. Drought, Dry spells, Flood, Inundation, widespread Pests and Disease attack, Landslides, Fire due to natural causes, Lightening, Storm, Hailstorm and Cyclone.
- c) **Localized Calamities:** Loss/ damage to notified insured crops resulting from occurrence of identified localized risks of Hailstorm, Landslide, Inundation, Cloud Burst and Natural Fire due to lightening affecting isolated farms in the notified area.

General Exclusions: Losses arising out of war and nuclear risks, malicious damage and other preventable risks shall be excluded.

Important Conditions /Clauses Applicable for Coverage of Risks

1. Insurance company should have received the premium for coverage either from bank, channel partner, insurance intermediary or directly. Any loss in transit due to

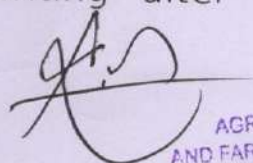

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negligence by these agencies or non-remittance of premium by these agencies, the concerned bank / intermediaries only shall be liable for payment of claims.

2. In case of any substantial misreporting by nodal bank /branch in case of compulsory loanee- farmers' coverage, the concerned bank only shall be liable for such mis-reporting.
3. Mere sanctioning/ disbursement of crop loans and submission of proposals/ declarations and remittance of premium by farmer/ bank, without explicit intent to raise the crop, does not constitute acceptance of risk by insurance company.
4. Acreage discrepancy: Some areas in the past have reported excess insurance coverage vis-à-vis planted acreage, leading to over-insurance.

For the time-being, it is to be addressed as follows:

- a) Area Discrepancy will be applied only to those major crops for which Normal area sown data at the Block/Taluka level shall be provided by MNCFC based on the remote sensing data etc after factoring the areas remains unsown and failed germination/plantation due to adverse climatic conditions and shall be made available on National Crop Insurance Portal. No other data from any source including State Govt. will be considered
- b) However, any mass irregularities/anomalies in insuring of excess area i.e. more than the published cultivable area at Taluka level should compulsorily be brought to the notice of DAC&FW, in writing after cut off date of



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enrolment but before the period specified for reconciliation with banks along with facts/documents and list of bank branches etc so that the same may be examined by the Government and rectified by concerned bank itself before finalization of Business Statistics for the season on Portal

- c) Decision of GOI in applicability of discrepancy in insured area shall be binding on all.
- d) If the difference between insured area and sown area provided by MNCFC is $>30\%$ at Block/Tehsil/ Taluka , all IUs of such Block/Tehsil/ Taluka will fall under acreage discrepancy category and should be treated as having 'excess' insurance coverage
- e) Data on application of ACF shall be uploaded on National Crop Insurance Portal.
- f) Accordingly excess insured area shall be treated as un-insured and corresponding farmer's premium will be forfeited and the same will be surrendered to Technology Fund of GOI and may be utilized for leveraging technology in PMFBY for improvement of technology/research/Impact assessment etc and towards assistance to States for cost of incremental CCEs.

3. **CROPS & THEIR AREAS COVERED:**

The Crops notified are Paddy(Autumn) Banana(Autumn) & Tapioca(Autumn) for Kharif Season ;Paddy (Winter),Banana & Tapioca(Winter) for Rabi I Season and Paddy(Summer), Plantain & Tapioca(Summer) for Rabi II Season. The Notification would be at Panchayat Level for major crops viz.


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Paddy (Autumn, Winter & Summer) ; Banana (Autumn & Winter) & Plantain and at Block Level for minor crops viz. Tapioca (Autumn, Winter & Summer). Each defined notified area of a notified crop will be considered as one unit for the purpose of Crop Cutting Experiments (CCEs). The crop-wise notified areas as decided by SLCCCI under PMFBY for Kharif and Rabi I & II Seasons in the State are as shown below:

Season	Crop	Districts	Notified Area	List of Notified Areas
Kharif	Paddy (Autumn)	Alappuzha, Kottayam & Pathanamthitta	Selected Panchayats	Annexure PM-K-I enclosed
Kharif	Banana (Autumn)	All Districts	Selected Panchayats	Annexure PM-K-II enclosed
Kharif	Tapioca (Autumn)	All Districts	All Blocks	Annexure PM-KR-III enclosed
Rabi I	Paddy (Winter)	Alappuzha, Kottayam & Pathanamthitta	Selected Panchayats	Annexure PM-R-I enclosed
Rabi I	Banana	All Districts	Selected Panchayats	Annexure PM-R-III enclosed
Rabi I	Tapioca (Winter)	All Districts	All Blocks	Annexure PM-KR-III enclosed
Rabi II	Paddy (Summer)	Alappuzha, Kottayam & Pathanamthitta	Selected Panchayats	Annexure PM-R-II enclosed
Rabi II	Plantain	All Districts	Selected Panchayats	Annexure PM-R-IV enclosed
Rabi II	Tapioca (Summer)	All Districts	All Blocks	Annexure PM-KR-III enclosed

4. FARMERS COVERED:

- All farmers including sharecroppers and tenant farmers growing the notified crops in the notified areas are eligible for coverage. However, farmers should have insurable interest for the notified/insured crops.


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b. Loanee Farmers

All farmers having been sanctioned Seasonal Agricultural Operations (SAO) loans from Financial Institutions (i.e. loanee farmers) for the notified crop(s) could be covered by the concerned Financial Institution. All the Loanee applicant Farmers who have a credit limit sanctioned for any of these notified Crops till 31st July (For Kharif Season) , 31st December (For Rabi I Season) & 28th February (For Rabi II Season) could be insured under PMFBY by the respective Financial Institutions and for this purpose such loanee applicant farmers need not submit any application/proposal for insurance.

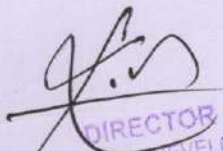
c. Non-Loanee Farmers

The non-loanee farmers are required to submit necessary documentary evidence of land records prevailing in the State (Records of Right (RoR), Land possession Certificate/Latest Land Tax Receipt (LPC/LTR) etc.) and/ or applicable contract/ agreement details/ other documents notified/ permitted by concerned State Government (in case of sharecroppers/ tenant farmers).

- d. Special efforts shall be made to ensure maximum coverage of SC/ ST/ Women farmers under the scheme.


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- e. Further, the Scheme has been made voluntary under the revamped PMFBY/RWBCIS. However, opt out provision for existing loanee farmers has been provided wherein loanee farmers can submit a prescribed application (application from enclosed) to concerned bank branches for opting out for the Scheme before the 7 days of enrolment cut-off date. If received within 7 days the farmer will be removed from compulsory enrolment from the upcoming Season. The Banks shall prepare the final list of farmers who have opted out and all eligible loanee farmers shall be covered
- f. Farmers who do not give any signed Declaration for opting out need to be compulsorily insured failing which the concerned bank will be liable to pay admissible claims to farmers. For complete information on the procedures of Opting In & Opting Out please refer GoI Letter dated 22nd April 2020 on the same subject.
- g. The Formats for Opting Out & Opting In are enclosed along with this Notification
- h. The Non-Loanee Farmers shall be enrolled through Banks ,Authorised Broker Representative of the Implementing Insurance Company, Common Service Centres(CSCs)/Digi Seva Kendras, Micro Insurance Agents or directly on line through the website www.pmfby.gov.in


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5. INDEMNITY LEVEL, SUM INSURED LIMITS, PREMIUM RATES:

District-wise / crop-wise Level of Indemnity, Sum Insured Limits and Premium Rates are given in **Annexure PM-K-IV for Kharif Season ; Annexure PM-R-IV-A for Rabi I Season & Annexure PM-R-IV-B for Rabi II Season.**

These Parameters shall remain unchanged for Kharif and Rabi Seasons for 2020, 2021 & 2022

6. SUBSIDY ON PREMIUM:

The Actuarial Premium Rate (APR) would be charged under PMFBY by the Implementing Agency (IA). However, as per PMFBY scheme norms, farmers would be paying a maximum of **2% (Kharif)/1.5% (Rabi)** and **5%** of Sum Insured for Food Crops/Oil Seed(FCOS) Crops and Annual Commercial/Annual Horticultural (ACAH) crops respectively for both Seasons as per Farmers' Premium Cap provision. Accordingly in Kerala for Notified Paddy(Autumn) & Paddy(Winter & Summer) Crops the farmer's premium rate will be 2% and 1.5% of Sum Insured respectively and for all other notified Annual Horticulture crops in those districts wherever the Actuarial Premium Rates(APR) are above 5% , the farmers need to pay only 5% of Sum Insured and in those districts where the APRs' are less than 5% , the farmer needs to pay only the lower rates.

The difference between Actuarial Premium Rate(APR) and the Farmer's Premium Rate shall be treated as Rate of normal premium subsidy, which shall be shared equally by the Centre and State Government.


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As per revamped PMFBY/RWBCIS, applicable GOI share in premium subsidy has been restricted to those crops having Gross premium of 25% and 30% with respect to irrigated and unirrigated areas respectively. Districts having more than 50% or more of the area under irrigation will be considered as irrigated districts for the aforesaid criteria.

7. SEASONALITY DISCIPLINE

The Seasonality and various Cut-off Dates for Loaning and acceptance of proposal/debit of premium by bank Branches / PACS and receipt of Premium & Declarations by AIC as well as Settlement of claims for Kharif & Rabi-I and Rabi-II Seasons will be as per **Annexure PM-K-V & Annexure PM-R-V respectively.**

8. CHANGE IN CROP

Farmers covered, on voluntary basis, can buy insurance before actual sowing/ planting, based on advance crop planning. However, for any reason if a farmer changes the crop planned earlier, he should intimate the change to insurance company, before 2 working days prior to cut-off date for debit/collection of premium from farmers, through financial institution/ channel partner/ insurance intermediary/ directly; as the case may be, along with difference in premium payable, if any, accompanied by sowing certificate issued by concerned panchayat/ village/ sub-district level official of the State. In case the premium paid was higher, insurance company will refund the excess premium.


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Similarly, loanee-farmers can also change the name of insured crop from the original crops submitted in the loan application but such changes should be submitted in writing to the concerned bank branch before 2 working days prior to cut-off date for debit/collection of premium from farmers, so that their proposed crops should be insured. However changes of non-notified crops to notified crops without submitting the sowing certificate is not permissible.

9. CUT-OFF DATE FOR SUBMISSION OF YIELD DATA BY THE STATE GOVT.

Cut-off date for submission of yield data for each notified area based on minimum crop cutting experiments at notified area level for each notified crop for Kharif and Rabi I & Rabi II Seasons, from the Department of Economics & Statistics, Govt. of Kerala to Implementing Agency (AIC) is as mentioned in **Annexure PM-K-VI** & **Annexure PM-R-VI** respectively.

10. LOSS ASSESSMENT, CLAIM SETTLEMENT AND CLAIM SHARING:

The Notified Base and Add On Coverages are as per **Annexure PM-KR-IX**. The normal Date of Sowing & Harvesting for Paddy Crop for the PMFBY Districts is also mentioned in the same Annexure. The dates mentioned in the above Annexure are indicative which might vary as per the prevailing situations. The DLMC shall also verify the Padasekharam records & conduct actual Field verifications for assessing the Growth Stage and for for decisions on invoking of Indemnity Clauses


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a) Wide Spread Calamities (based on season-end yield)

Government Department overseeing conduct of CCEs, will submit crop wise/ notified area wise yield data to the respective insurance company within the prescribed cut-off date along with results of individual CCEs. (conducted through smart phone using CCE Agri App) on National Crop Insurance Portal. Yield data so arrived at will be approved/ uploaded by the concerned authority/State nodal department and made available to Insurance Company

Assessment of Claims (Wide Spread Calamities)

If 'Actual Yield' (AY) per hectare of insured crop for the insurance unit (calculated on basis of requisite number of CCEs) in insured season, falls short of specified 'Threshold Yield' (TY), all insured farmers growing that crop in the defined area are deemed to have suffered shortfall in yield of similar magnitude. PMFBY seeks to provide coverage against such contingency.

'Claim' shall be calculated as per the following formula:

(Threshold Yield - Actual Yield)

————— X Sum Insured

Threshold Yield

Where, Threshold yield for a crop in a notified insurance unit is the average yield of best 5 years from past seven years of that season multiplied by applicable Indemnity Level for that crop .

The Threshold Yields shall be notified subsequently by the State Government and shall remain unchanged for Kharif and Rabi Seasons for 2020, 2021 & 2022


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PMFBY envisages extensive use of technology including mandatory use of CCE-Agri app for real time reporting of CCE result/yield data. However, in some cases it has been observed, the processing and approval of CCE data on National Crop Insurance Portal (NCIP) takes considerable time which results in delay in settlement of claims to farmers. If CCE data is not shared with concerned Insurance company by States/UTs within 2 months from the cut-off date specified in the notification for providing CCE yield data to insurance companies, the CCE data on the portal through CCE-agri app will be auto approved and forwarded to the concerned insurance companies for computation and payment of claims. If 90% of the data is provided by States to Insurance Companies with in above mentioned time period, it will be considered that substantial yield data has been provided and this provision will not be invoked. On completion of one month after cut-off date for providing CCE data to ICs by States, Insurance companies will inform the State Government in writing with a copy to GOI regarding non provision of CCE data and that auto calculation of claims on the basis of data on the CCE portal/synthetic yield in case of non-conduct of CCEs through CCE-agri. app will be done after the specified date detailed above, If the aforesaid data does not meet the criteria of requisite number of CCEs at IU level and next higher unit level, the data is disputed by the insurance company due to non-compliance of procedure for conduct of CCEs, then claims will be settled based on


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yield data arrived through suitable technology as per the timelines detailed above.

b. On Account Payment of Claims due to Mid-Season Adversity

1. It is proposed to provide immediate relief to insured farmers in case of adverse seasonal conditions during the crop season viz. floods, prolonged dry spells, severe drought etc., wherein expected yield during the season is likely to be less than 50% of Normal Yield

a) Eligibility Criteria:

- i. All notified Insurance Units would be eligible for "ON ACCOUNT" payment only if the expected Yield of the affected crop during the season is less than 50% of Normal Yield.
- ii. The provision would be invoked for a specific crop or group of crops by the State Government through Damage Notification based on the proxy Indicators.
- iii. The quantum of likely losses and the amount of 'on-account' payment shall be decided based on the joint survey by Insurance Company and State Government officials.
- iv. Only those farmers would be eligible for financial support under this cover who have paid the premium / the premium has been debited from their account before the date of issuance of damage notification by the state government.
- v. Maximum amount payable would be 25% of the likely claims, subject to adjustment against final claims.
- vi. If adversity occurs within 15 days before the normal harvest time, this provision will not be invoked.


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vii. The Season-wise Crop- wise Cut off dates for invoking this provision by the State Government would be as per **Annexure PM-KR-VIII** for Kharif and Rabi I & II Seasons.

b) Proxy-Indicators: Indicators to be used for loss intimation could be rainfall data, other weather data, satellite imagery, drought assessment reports of MNCFC and crop condition reports by district level/ State Govt. officials, supported by media report and field photographs

c) Loss assessment procedure:

- i. Joint committee of State Government and the insurance company, for assessment of crop damage is entrusted with this task.
- ii. This Joint Committee shall decide the eligibility for on-account payment based on the weather data (available AWS notified by the Government) /long term average rainfall data/satellite imagery supported by estimated yield losses at notified Insurance unit level. Loss intimation order has to be issued within 7days from the adverse seasonal event.
- iii. Based on the above report, a joint inspection of the affected area maybe done by Insurance Company along with State Govt officials for ground truthing using mobile phone App and arrive at the extent of loss.
- iv. Information/ Services of Mahalanobis National Crop Forecast Centre (MNCFC) may also be utilized for determination of extent of loss for on- Account payout.
- v. If the expected loss of the affected crop is more than 50% of the Normal Yield for the Notified Insurance Unit, on-account payment would be payable.


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vi. On-account payment would be calculated as per following formula:

(Threshold Yield - Estimated Yield)

----- × Sum Insured × 25%

Threshold Yield

d) Time frame for loss assessment and submission of report:

- i) An order will be issued by State Government defining eligibility of on account payment with details of damaged Insurance Units within 7 days from the occurrence of adverse seasonal event.
- ii) Loss assessment report at the affected insurance unit level has to be completed by the joint committee within 15 days from occurrence of the adverse seasonal event.

e) Conditions:

- i. Mere disbursement/ sanction of loan without receipt/ debit of premium before the notification of calamity would not make a farmer eligible for the claim.
- ii. These claims would be adjusted from the end season area approach yield based claims.

c) Prevented / Failed Sowing and Prevented Planting / Germination Claims (Only For Paddy Crop)

1. It is proposed to provide insurance cover to farmers in case of widespread incidence of eligible risks affecting crops in more than 75% of area sown in a notified unit at early stage leading to total loss of crop or if the farmers are not in a


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position to either sow or transplant the crop. The Season-wise Crop- wise Cut off dates for invoking this provision by the State Government would be as per **Annexure PM-KR-VIII** for Kharif and Rabi I & II Seasons.

a) Eligibility Criteria:

i) The Notified Insurance Unit-wise, normal area sown would be provided to the insurance company by Department of Agriculture at the beginning of the Season within 15days from Notification.

ii) Notified IUs will be eligible for "Prevented Sowing/ Planting" pay-out only if more than 75% of Crop wise normal sown area for notified crop in the IU remained unsown/prevented sowing/germination failure during sowing period due to occurrence of widespread incidence of eligible risks.

iii) The provision is invoked by the State Govt. through notification based on the proxy Indicators.

iv). Only those farmers would be eligible for financial support under this cover who have paid the premium / the premium has been debited from their account by the date of notification to this effect.

b)Proxy-Indicators: Indicators like rainfall data, other weather data, satellite imagery and crop condition reports by district level agricultural officer, media reports and area sown data released by district level agricultural officer of State Government.

c) Loss assessment procedure:


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- i. State Government would declare a Notified Insurance Unit as having suffered Prevented or Failed Sowing/ Planting conditions with approximate areas in percentage of the unit.
- ii The Lump sum payout under this cover would be limited to 25% of the sum insured and the insurance cover will be terminated.

d) Conditions:

- i. The cover will be available for named major crops only.
- ii. Mere disbursement/ sanction of loan without receipt/ debit of premium before the notification of calamity won't make a farmer eligible for claim.
- iii. This provision would be needed to be notified within 15 days of the cut-off date of enrolment by the State Govt., beyond which if invoked, no claim would be payable.
- iv. The insurance company would disburse the claim within 30 days of the State's order / notification invoking the event of the insured risk provided the data on estimated area sown have been received from State Government.
- v. The pay-out under the cover would be disbursed by the Insurance Company without waiting for the receipt of final Govt. share of premium subsidy.
- vi. Insurance Cover would terminate for the affected crop in a Notified Insurance Unit once a claim under this section is invoked and the Affected Insurance Unit/ Crop would not be eligible for area yield based claim calculated at the end of the season.


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vii. Once this provision is invoked, no fresh enrolment of farmers for the affected notified crops and areas would be done.

viii. Once exigency is invoked it applies to all the insured farmers in the Notified Insurance Unit for a given crop, including for those whose crop survived.

The state govt. would continue to provide area sown and yield data based on CCEs conducted in the such areas within the cut-off date.

d) Localized Risks


i) The Scheme provided for insurance cover at individual farm level to crop losses due to occurrence of localized perils/ calamities viz. Hailstorm, Landslide, Inundation, Cloud burst and Natural fire due to lightening affecting part of a notified unit or a plot.

ii) For the purpose of indemnification of crop losses due to inundation as localised claim, Inundation is a situation where insured field is covered or submerged by water due to rise in water level by rainwater that has fallen naturally from the sky or from an artesian well or flood water locally and where water stays for prolonged period and causes visible damage to the crop.

iii) Inundation is applicable for all Crops except Paddy.

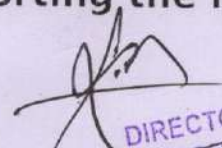
a) Eligibility Criteria:

i. Available to all insured farmers, at farm unit level, affected by above mentioned perils in a Notified Insurance Unit growing notified crops for which insurance has been availed.


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- ii. Maximum liability is limited to proportionate Sum Insured of damaged crop's area. This would be based on the proportion of cost of inputs incurred during sowing period to the sum insured.
- iii. Only those farmers would be eligible for financial support under this cover who have paid the premium/the premium has been debited from their account before occurrence of the insured peril.
- iv. Maximum pay-out under this provision would be in proportion to cost of inputs, incurred up to the occurrence of insured peril, subject to the sum insured. If the payout under area approach (based on CCEs data) is more than localized losses, the higher claims of two will be payable to insured farmers.
- v. If the affected area under a notified crop is more than 25% of the total insured area in a notified insurance unit, all the eligible farmers (who has taken insurance for the notified crop, which has been damaged, and informed about occurrence of calamity in the farm within the stipulated time limit) in the notified insurance unit would be deemed to have suffered localized loss and would be eligible for financial support. Percentage of loss would be arrived at by requisite percentage of sample survey (as decided the Joint Committee) of affected area by the insurance company.
- vi. The Season-wise Crop- wise Cut off dates for invoking this provision by the State Government would be as per **Annexure PM-KR-VIII** for Kharif and Rabi I & II Seasons.

b) Time and method of reporting the loss/claims


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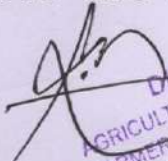
- Immediate intimation (within 72 hours) by the insured farmer to any one as detailed in Para 21.5.4.2 of revised OG
- Intimation must contain details of survey number-wise insured crop and acreage affected.
- Premium payment verification to be done from portal and in case of need, may be verified from the bank and bank shall provide the payment verification within next 48 hours of receipt of such request.
- Mobile application may be used for reporting incidence of localized risks for intimation of events including longitude/latitude details and pictures using Mobile App to be developed by DAC&FW.

c) Documentary evidence required for claim assessment :

- a) Duly filled Claim form along with all relevant documents is necessary for payment of claims. However, if information on all the columns is not readily available, semi-filled form may be sent to the Insurance Company and later within 7 days of the loss, filled form may be submitted.
- b) Evidence of crop loss through capturing pictures using mobile applications
- c) IMD report, Media report, Local Newspaper cutting to substantiate occurrence of loss event and severity of the loss, if any.

d) Appointment of Loss Assessors by the Insurance Company:

The loss assessors would be appointed by the insurance company for assessment of losses due to the operations of


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Localized Risks (Yield Insurance). The loss would be jointly assessed by a team comprising of loss assessor appointed by the insurer, block level agriculture officer and the concerned farmer..

Maximum liability would be limited to proportionate Sum Insured of damaged cropped area.

e) Important conditions:

- i. Mere disbursement/sanction of loan without receipt/debit of premium before the occurrence of insured peril would not make a farmer eligible for claim.
- ii. When affected area is limited upto 25% of total insured area in the notified insurance unit, the losses of eligible farmers would be assessed individually provided they have intimated and paid premium prior to occurrence of insurance peril. Intimation is a pre condition to get benefit for localized claim. Intimation at the time of survey would also be considered
- iii. The pay-out under the cover would be disbursed by the Insurance Company only after the receipt of at least advance Govt. share of premium subsidy (1st instalment).
- iv. The Insurance Company would disburse the claim, if payable within 15 days of survey of loss.
- v. If, at the end of season, based on the yield data, claim is more than the claim under this cover, the balance would be paid at the end of the season under wide spread claims.
- vi Farmers getting enrolled or whose premium is debited after occurrence of insurance peril would not be eligible for financial support under this cover.


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The Weather Stations Notified for invoking On-Account Payment of claims and Prevented Sowing Indemnity Covers under PMFBY Kharif & Rabi Seasons would be as per **Annexure PM-KR-VII**. The Weather Stations in the aforesaid Annexure are indicative. The final selection of Weather Stations applicable to a particular Notified Area would be done by the Joint Committee as per the availability & suitability. For Districts other than those mentioned in the above Annexure, the Weather Stations for invoking indemnity covers would be decided by the Department of Agriculture suitably on the basis of proximity and availability.

11. PROCEDURE FOR CLAIM SETTLEMENT

1. Tentative final share of Govt. subsidy (2nd instalment), both Central and State, on the basis of business statistics finalized on portal after 30 days of period specified for auto approval of applications on portal should have been received by Insurance Company to enable them to settle the Actual Yield based claims arising out of wide-spread calamity as well as for claims against post harvest losses. However, for settlement of On-Account payment of claims, prevented sowing/planting/germination claims and Localized calamity claims, advance subsidy (1st instalment) of 50% of 80% of respective Central/State Govt. share in corresponding previous season should have been received for the season/area(s)
2. Crop-IU wise historical Average Yield, Calamity Years, Indemnity level and Threshold Yield shall be uploaded on the Portal by the concerned State Nodal Department at the time of release of notification only and shall be verified and accepted


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by the concerned Insurance Company within given timelines. In order to avoid manipulation/misuse of information at field level, threshold Yield shall not be a part of public information before payment of claims for that season.

3. The DLMC will be required to upload/enter the details of crop loss as per the Joint Loss Survey conducted by DLJC for all intermediate loss events viz. prevented sowing/planting/germination failure & Mid-season Adversity on the National Crop Insurance Portal. Similarly, the crop loss details for localized losses and post-harvest loss events shall be entered by the concerned Insurance Company on the Portal. Once the Actual Yield data is available on the Portal, the same shall be verified and approved by the concerned District/State authorities. For those experiments which were conducted offline/without mobile application, the Actual Yield data shall be uploaded by the concerned District administration or State nodal department on the Portal itself.

4. The loss reports and Actual Yield data shall be approved/reverted (in case of any discrepancy/concern on the authenticity/correctness of report/data) by the Insurance Company based on which the eligible claims shall be calculated through the Portal and accordingly the payment of claims shall be initiated by the concerned Insurance Company and remitted directly into beneficiary account as per pre-defined timelines. The application wise payment details viz. amount, reference number, date etc. shall be entered/synchronised with the National Crop Insurance Portal for future reference and audit purpose.

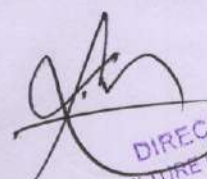

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5. In case of widespread calamity (end of season claims), once yield data is received/finalized from State Govt. as per the cut-off-dates decided, claims will be worked out on the National Crop Insurance Portal as per declarations/ approved proposals & covered farmer's data received from banks / channel partners / insurance intermediaries for each notified area and crops and accordingly the claims will be approved by Competent Authority of implementing Insurance Company.

6. In case of farmers covered through Financial Institution, claims shall be released only through electronic transfer directly into insured farmer's given bank account, followed by details containing claim particulars, to individual bank branches/ nodal banks; Bank Branch should also display particulars of claim disbursement on notice board to enable spread of awareness and inclination amongst farming community for risk mitigation through crop insurance. Insurance Company is required to compulsorily upload the claim details against each insured farmer on National crop insurance Portal.

7. In case of farmers covered on voluntary basis through intermediaries, payable claims will directly be credited to the bank accounts of concerned insured farmers and details of the claims may also be intimated to them. The list of beneficiaries shall also be uploaded on National Crop Insurance Portal immediately.

8. In case of claims under prevented/failed sowing, localized calamities, post-harvest losses; Insurance Company will process the claims after assessment and shall release the


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claims as per detailed procedure given in the relevant sections above.

9. The claim settlement intimation shall be sent to each beneficiary farmer through SMS from the Portal itself. State Govts, Banks & Insurance companies shall ensure correctness of data before hand viz. Threshold Yield, Actual Yield, Insured Area, Sum Insured and Indemnity levels etc. Responsibility of any error, omissions and mis-reporting shall lie with the concerned State Nodal Department and insurance Company. State Govt. & Insurance Companies shall resolve all the grievances of the insured farmers and other stakeholders in the shortest possible time.

10 In any situation, State Govt. can not reopen/ re calculate claims after 30 days of claims settlement for notified crop(s) at notified unit. Disputed claims / sub-standard claims , if any, due to erroneous data may be referred within this time to SLCC/STAC and further to Technical Advisory Committee (TAC), if required, for consideration and decision.

12. FRANCHISE CLAUSE : A Franchise clause of Rs 100 per farmer is applicable to every claim.

13. NODAL DEPARTMENT & NODAL OFFICERS FOR THE SCHEME: The Department of Agriculture is designated as the the Nodal Department for the Scheme. The designated Official for monitoring the Scheme at the State Level is State Nodal Officer .Similar District Level District Nodal Officers ie Deputy Director (Credit) are also designated at District Level for the smooth implementation of the Scheme.


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14. DISTRICT LEVEL MONITORING COMMITTEE (DLMC) :

The DLMC is entrusted with the task of monitoring the Scheme at District Level. The committee shall be chaired by the District Collector and the Principal Agriculture Officer is the Convenor. The members are District Nodal Officer, Lead Bank Manager, Representative from Co-operative Bank , Implementing Insurance Company, Department of Economics & Statistics and the Experts co-opted as per the requirements. The other responsibilities as per the revised Operational Guidelines of PMFBY.

15. SMART SAMPLING AND TWO STEP YIELD ESTIMATION:

Technology Solutions for rationalization of CCEs based on homogenous selection of sample/experimental pilots based on crop health condition analyzed through Remote Sensing Technology and other New Age technological solutions shall be used for rationalization of number of CCEs for specific areas and crops as notified by Gol based on the requirement ,availability and feasibility of such technologies available at that point of time after due consultation with Gol and the implementing Insurance Company

Two step yield estimation shall be adopted for specific areas and crops notified by Gol in order to further reduce the number of CCEs to be conducted based on defined parameters to assess the crop health through proxy indicators like weather data ,satellite indices etc based on the requirement ,availability and feasibility of such technologies available at


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that point of time after due consultation with GoI and the implementing Insurance Company.

16 .DISTRICT LEVEL JOINT COMMITTEE (DL JC)

The District Level Joint Committee (DL JC) shall be under Chairpersonship of DC/DM with the following members for loss assessment survey

- District Agriculture / Horticulture / Revenue Officer - as Convener,
- Concerned Insurance Company ,
- Representative of IMD from nearest Observatory, if available
- Representative of KVK / Agriculture University
- 3 representatives from district farmers nominated by Agriculture Department
- District collector may co-opt experts ,

The DLJC is entrusted with the task of assessment of losses as per the PMFBY revised Operational Guidelines.

17. GRIEVANCE REDRESSAL MECHANISM

1. The Principal Agriculture Officer shall be the Grievance Redressal Officer to respond to the grievances of Farmers, Banks, ICs etc. within 7 days of receipt of grievance. In case of dissatisfaction the matter may be brought before District Level Grievance Redressal Committee (DGRC)
2. District Level Grievance Redressal Committee (DGRC): For redressal of grievances of Farmers, Banks, Insurance Company, District Authority/Department. This Committee will be headed by District Magistrate/Collector and representatives of Farmers, LDM/Banks, DDM NABARD, Insurance Company


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and concerned District Authority/Department shall be members. This Committee may also invite subject specialists/experts from University/IMD/commodity Boards/Research Institutions, SRSC etc. if deemed necessary. The Committee will dispose the matter within 15 days. The decision of the Committee shall be accepted by all the parties and in case of disagreement with the decision; the same shall be represented to the State Level Grievance Redressal Committee (SGRC) within 15 days from the decision of DGRC. In case the DGRC doesn't take the matter for discussion within 7 days from submission of grievance or the grievance has wider scope of effect impacting more number of districts or there is a breach of guidelines by any of the stakeholder or the grievance matter exceeds Rs. 25 Lakh in monetary terms, the matter may be directly raised at State Level Grievance Redressal Committee.

3. State Level Grievance Redressal Committee (SGRC): a State level monitoring Committee shall act as a grievance redressal Committee for redressal of grievance of Farmers, Banks, Insurance Company, District Authority/Department which does not get settled at DGRC. This Committee will be headed by Principal Secretary/Secretary of Nodal Department, SLBC/Banks, CGM NABARD, Insurance Company and concerned State Authority/Department shall be members. This Committee may also invite subject specialists/experts from University/IMD/research institutions/commodity Boards/, State Remote Sensing Agency, STSU, STAC etc. if deemed necessary. The Committee will dispose the grievance within 15 days time


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of receipt of grievance. The decision of the Committee shall be accepted by all the parties.

18. COMMISSION AND BANK SERVICE CHARGES

Bank and other financial institutions etc. shall be paid service charges @ 4% of the premium collected from farmers. Rural agents engaged in providing insurance related services to farmers would be paid appropriate commission as decided by the insurance company, subject to cap prescribed under IRDA regulations.

19. GOODS & SERVICE TAX (GST)

Collection of premium under the Scheme is exempted from applicability of Goods & Service Tax (GST)

20. ROLES & RESPONSIBILITIES OF VARIOUS AGENCIES

The roles and responsibilities of various stake holders are as per the Revised Operational Guidelines on PMFBY issued by GoI and the same shall be strictly adhered to.

Note: The implementation of the scheme will be governed by Revised Operational Guidelines on PMFBY and administrative approval issued by DAC&FW, GOI. In the event of any conflict in provisions in this Notification and Revised Operational Guidelines for PMFBY as issued by DAC& FW, GOI, latter will prevail.


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The Implementing Agency (IA) viz. **Agriculture Insurance Company of India Ltd** will intimate the Notification details to all the Banks and Agencies concerned.



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**(Agriculture Development & Farmers Welfare
Department, Govt. of Kerala)**

GOVERNMENT OF KERALA
AGRICULTURE DEVELOPMENT & FARMER'S WELFARE DEPARTMENT
Restructured Weather Based Crop Insurance Scheme
(RWBCIS)
KHARIF AND RABI 2020 ,2021 & 2022 SEASONS

NOTIFICATION

Reference is made to the Govt. of India, Ministry of Agriculture & Farmers' Welfare, Department of Agriculture, Co-operation & Farmers' Welfare, Krishi Bhavan, New Delhi letter No.13015/02/2015-Credit-II, dated 28th February 2020 regarding the Administrative Approval for implementation of the revamped Pradhan Mantri Fasal Bima Yojana(PMFBY) and also the Revised Operational Guidelines of PMFBY .

Accordingly the State Level Co-ordination Committee on Crop Insurance (SLCCCI) in its meeting held on 18.06.2020 has decided to implement Restructured Weather Based Crop Insurance Scheme (RWBCIS) for Kharif and Rabi 2020, 2021 & 2022 Seasons in Kerala State. Subsequently the State Government vide its GO No. 578/2020/Agri dated 26.06.2020 authorized Director of Agriculture to issue detailed Notification of PMFBY and RWBCIS in the State and accordingly in exercise of the powers conferred by the Government ,now the following terms and conditions of Restructured Weather Based Crop Insurance Scheme (RWBCIS) implementation are hereby Notified as given under:

1. OBJECTIVE OF THE SCHEME_

Restructured Weather Based Crop Insurance Scheme (RWBCIS) aims to mitigate the hardship of the insured farmers against the


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likelihood of financial loss on account of anticipated crop loss resulting from adverse weather conditions relating to rainfall, temperature, wind, humidity etc. Restructured WBCIS uses weather parameters as "proxy" for crop yields in compensating the cultivators for deemed crop losses. Payout structures are developed to the extent of losses deemed to have been suffered using the weather triggers.

2. CROPS COVERED AND IMPLEMENTING AGENCY :

All the 12 Districts in the State has been considered as a single cluster for the implementation of Restructured WBCIS and Agriculture Insurance Company of India Ltd would be the Implementing Agency for the said Scheme for both the Seasons for three years from Kharif 2020 onwards.

3. CROPS & AREAS COVERED:

The Restructured WBCIS is being implemented in all Districts, except Alappuzha & Pathanamthitta. The Crops notified for Kharif Season are Paddy, Banana , Pepper, Ginger, Turmeric, Pineapple, Sugarcane, Cardamom, Arecanut ,Nutmeg , ,Cocoa, Tomato, Millets ,Snake Gourd, Bitter Gourd, Yard Long Bean, Ash Gourd, Pumpkin, Cucumber Bhindi & Chilly while Paddy, Millets , Banana, Pineapple , Sugarcane, Cashew, Mango, Potato, Cabbage, Carrot, Garlic, Beans, Yard Long Bean, Snake Gourd , Bitter Gourd, Ash Gourd, Pumpkin, Cucumber Bhindi & Chilly are notified for Rabi 2019-20 Season. The District-wise list of crops notified under Restructured WBCIS for Kharif Season is as per **Annexure WB-K-I** and for Rabi Season is as per **Annexure WB-R-I**.

4. AREA APPROACH & REFERENCE UNIT AREAS (RUA's), REFERENCE WEATHER STATIONS (RWS's) & BACK UP WEATHER STATIONS(BWS's)


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The WBCIS adopts an 'Area Approach' basis. For this the State Govt. has notified Reference Unit Area's (RUA), which are essentially a Group of adjoining Panchayats/Municipalities/Corporation Limits, and a centrally located Reference Weather Station (RWS) has been notified for each RUA. The Claims for an RUA is calculated ONLY on the basis of Weather Data recorded at its notified RWS and the Term Sheet notified for that crop. Should the RWS data be unavailable for any day/interval during the risk period, the data of corresponding Back-up Weather Station (BWS) notified would be used for the purpose. The details of

notified RUA's, their RWS's and BWS's are appended as **Annexure WB-KR-II (For All Crops except Banana) & Annexure WB-KR-III (Exclusively For Banana Crop)** for both Kharif and Rabi Seasons.

5. FARMERS COVERED:

- a. All farmers including sharecroppers and tenant farmers growing the notified crops in the notified areas are eligible for coverage. However, farmers should have insurable interest for the notified/ insured crops.

b. Loanee Farmers

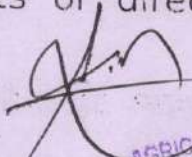
All the Loanee applicant Farmers who have a credit limit sanctioned for any of these notified Crops till 31st July (For Kharif Season) & 31st December (For Rabi Season) could be insured under Restructured WBCIS by the respective Financial Institutions and for this purpose such loanee applicant farmers need not submit any application/proposal for insurance

c. Non-Loanee Farmers


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The non-loanee farmers are required to submit necessary documentary evidence of land records prevailing in the State (Records of Right (RoR), Land possession Certificate (LPC) etc.) and/ or applicable contract/ agreement details/ other documents notified/ permitted by concerned State Government (in case of sharecroppers/ tenant farmers).

- d. Special efforts shall be made to ensure maximum coverage of SC/ ST/ Women farmers under the scheme.
- e. Further, the Scheme has been made voluntary under the revamped PMFBY/RWBCIS. However, opt out provision for existing loanee farmers has been provided wherein loanee farmers can submit a prescribed application (application from enclosed) to concerned bank branches for opting out for the Scheme before the 7 days of enrolment cut-off date. If received within 7 days the farmer will be removed from compulsory enrolment from the upcoming Season. The Banks shall prepare the final list of farmers who have opted out and all eligible loanee farmers shall be covered
- f. Farmers who do not give any signed Declaration for opting out need to be compulsorily insured failing which the concerned bank will be liable to pay admissible claims to farmers. For complete information on the procedures of Opting In & Opting Out please refer GoI Letter dated 22nd April 2020 on the same subject.
- g. The Formats for Opting Out & Opting In are enclosed along with this Notification
- h. The Non-Loanee Farmers shall be enrolled through Banks ,Authorised Broker Representative of the Implementing Insurance Company, Common Service Centres(CSCs)/Digi Seva Kendras, Micro Insurance Agents or directly on line through the website www.pmfby.gov.in


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6. SUM INSURED LIMITS: The sum insured will be broadly based on the cost of cultivation of the crops . The Sum Insured for individual farmer is equal to the Sum Insured multiplied by acreage of the notified crop. 'Area under cultivation' shall always be expressed in 'hectare'. The Sum Insured per Hectare for a crop is distributed under several Insurance Covers with different risk periods .For the details of Crop-wise Sum Insured Limits please refer **Annexure WB-K-V** for Kharif Season and **Annexure WB-R-V** for Rabi Season. The claims are calculated only after the risk period of the particular crop is over subject to the timely availability of Weather Data from respective RWS's . Under Restructured WBCIS Sum Insured per hectare for both Loanee and Non Loanee farmer is the same .

The criteria for covering Loanee Farmers is based on the availability of '**Sanctioned Credit Limit**' for the crop within the cut-off date prescribed for the purpose. The final eligible Sum Insured is to be arrived on the basis of the acreage of the crop declared by the farmer in the loan application multiplied by the pre-fixed Sum Insured per hectare as per the Annexures mentioned above

7. PREMIUM RATES AND SUBSIDY :

The Actuarial Premium Rate (APR) would be charged under Restructured WBCIS by Implementing Agency (IA). However , farmers would be paying maximum of 2%/1.5% for Food crops & Oilseeds (Paddy in Kerala for Kharif & Rabi Seasons respectively) and 5% for Annual/Perennial Commercial/ Horticultural crops .

The difference between actuarial premium rate and the rate of insurance charges payable by farmers shall be treated as Rate of normal premium subsidy, which shall be shared


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equally by the Centre and state. The Crop-wise Premium rates & Subsidy are given in **Annexure WB-K-V** for Kharif Season and **Annexure WB-R-V** for Rabi Season.

8. SEASONALITY DISCIPLINE:

The Seasonality Discipline and various Cut-off dates are notified as per **Annexure WB-K-VII** for Kharif Season and **Annexure WB-R-VII** for Rabi Season

9. WEATHER PERILS COVERED & PERIOD OF RISKS

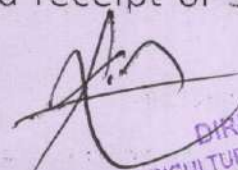
The Crop-wise perils covered & the period of coverage of these risks (Insurance Period) are as per **Annexure WB-K-IV** for Kharif Season and **Annexure WB-R-IV** for Rabi Season. State Governments will also continue to conduct the requisite number of Crop Cutting Experiments (CCEs) in areas where Restructured WBCIS is implemented to enable the Implementing Agency to make analytical study for assessing performance of the Scheme *vis-à-vis* yield Index based crop Insurance Schemes (i.e. PMFBY) and Benchmarking of products.

10. CLAIM ASSESSMENT & SETTLEMENT

1. In case of adverse weather incidence all the insured cultivators growing the notified crop in a RUA shall be deemed to have suffered the same level

of adverse weather condition & same proportion of crop loss and become eligible for the same rate of claims.

2. All payouts under the scheme are settled by Implementing Agency (IA), and to the extent possible within 45 days from the end of the risk period subject to the availability of weather data for the coverage period and receipt of State Government Share of Premium Subsidy.


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3. Claims shall be assessed only on the basis of weather data recorded by the notified RWSs or BWS, as the case may be, and the claims process shall commence once the weather data is received. The weather data providers should ensure that the exposure conditions of AWS, their standardization / calibration, maintenance and weather data transmission meet the guidelines issued by the Government.
 4. Claims processing should be strictly as per the insurance Term Sheets, Payout structure and the Scheme provisions. Claims shall be worked out as per the Insurance Declarations received from the Nodal Branches/ Nodal Banks for each notified area and crop.
 5. A **Term Sheet** is the Scheme document which details the Insurance Covers notified for each Crop , their Risk Periods, THE Trigger Levels of notified Weather Parameters and details How & When the claim becomes payable for each crop. The Term Sheets for all the crops Notified under WBCIS are appended as **Annexure WB-K-VI (1-15)** for Kharif Season & **Annexure WB-R-VI (1-19)** for Rabi Season.
 6. Administrative structure for collection of premium, insurance proposal and remittance of admissible claim along with other return will be same as PMFBY.
 7. All standard Claims should be processed and paid within 45 days from the end of the risk period. Further verification & collection of relevant documents / papers, if required, in respect of affected farmers should be completed within a period of 30 days from payment of standard claims of season.
 8. Insurance Companies should verify & satisfy themselves about the insured farmers, crops & areas before approaching the Government for release of Subsidy. Cases of area


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discrepancies under WBCIS will be settled as per procedure explained in Section 25. Acreage Discrepancy of Revised OGS of PMFBY

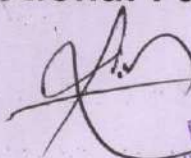
9. In case of farmers covered through Financial Institution, claims shall be released only through electronic transfer directly into insured farmer's given bank account, followed by details containing claim particulars, to individual bank branches/ nodal banks; Bank Branch should also display particulars of claim disbursement on notice board to enable spread of awareness and inclination amongst farming community for risk mitigation through crop insurance.

10. In case of farmers covered on voluntary basis through intermediaries/ directly, payable claims will be directly credited to the concerned bank accounts of insured farmers and details of the claims may also intimate to them. The list of beneficiaries may also be uploaded on the crop insurance portal immediately.

11. Disputed claims / sub-standard claims, if any, shall be referred through State Government to DAC&FW for disposal by the insurance company and the decision or any interpretation of DAC&FW of provisions of scheme or disputes shall be binding on all concerned.

12. If observed index value falls below or above, (as the case may be) the notified trigger value, then claims per unit shall be calculated using following formula depending upon index definition:

Claims per Unit = (Difference between Observed & Notified index values) X Notional Payout .


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11. CLAIM ASSESSMENT UNDER LOCALISED CALAMITIES

Inundation, Landslide and Heavy Wind Damage are notified for specific Crops and Areas as per **Annexure WB-KR-VIII** for both Kharif & Rabi Seasons. The assessment and settlement would be strictly based as per the conditions laid out in the **Annexure WB-KR-VIII**. The general rules of Localised Risks under PMFBY as per Clause No 21.5 and its various subclauses holds good for RWBCIS wherever applicable.

12. IMPORTANT CONDITIONS /CLAUSES APPLICABLE FOR COVERAGE OF RISKS

1. Insurance companies should have received the premium for coverage either from bank, channel partner, insurance intermediary or directly. Any loss in transit due to negligence by these agencies or non-remittance of premium by these agencies, the concerned bank / intermediaries shall be liable for payment of claims.
2. In case of any substantial misreporting by nodal bank /branch in case of compulsory farmers coverage, the concerned bank only shall be liable for such misreporting.
3. Mere sanctioning/ disbursement of crop loans and submission of proposals/ declarations and remittance of premium by farmer/ bank, without explicit intent to raise the crop, does not constitute acceptance of risk by insurance company.
4. Acreage discrepancy : As per section 25 of the Operational Guidelines of PMFBY

13. EXCLUSION:

Losses arising out of war and nuclear risks, malicious damage and other preventable risks shall be excluded.


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14. FRANCHISE CLAUSE ; Claim of Rs 100 per farmer is treated as Franchise Limit

15. COMMISSION & BANK SERVICE CHARGES

Bank and other financial institutions etc. shall be paid service charges @ 4% of the premium collected from farmers.. Rural agents engaged in providing insurance related services to farmers would be paid appropriate commission as decided by the insurance company, subject to cap prescribed under IRDA regulations.

16. GOODS AND SERVICES TAX

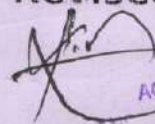
Restructured WBCIS /PMFBY is a replacement scheme of NAIS/MNAIS, and hence exempted from Goods and Service Tax.

17. ROLES AND RESPONSIBILITIES OF VARIOUS AGENCIES

Roles of various Agencies/Institutions/Government Departments/Committees as spelt out in PMFBY/Restructured WBCIS Revised OG's have to be strictly complied with by all agencies.

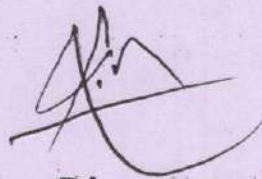
18. The Constitution and roles & responsibilities of Nodal Department , Nodal Officers in the District and State Level, District Level Monitoring Committee(DLMC), District Level Joint Committee(DLJC) ,Grievance Redressal Mechanism are as enumerated in the Notification of PMFBY.

Note: The implementation of the scheme will be governed by Revised Operational Guidelines on PMFBY & Restructured WBCIS and administrative approval issued by DAC&FW, GOI. In the event of any conflict in provisions in this Notification and Revised Operational

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AGRICULTURE DEPARTMENT

Guidelines for PMFBY & Restructured WBCIS as issued by DAC& FW, GOI, latter will prevail.

The Implementing Agency (IA) viz. **Agriculture Insurance Company of India Ltd** will intimate the Notification details to all the Banks and Agencies concerned.



Director

**(Agriculture Development & Farmers Welfare
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