



## **Constraints faced by beneficiaries of PMFBY in Eluru District of Andhra Pradesh, India**

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### **ABSTRACT**

The study investigated into the constraints encountered by beneficiaries in Pradhan Mantri Fasal Bima Yojana (PMFBY) in Eluru district of Andhra Pradesh. The study was performed in a simple randomly chosen district and respondents were selected purposively. Data was collected from the respondents with the help of well-structured interview schedule during the year 2024. The acquired data was analysed by using frequency and percentage. The major constraints faced by the farmers were lack of in depth awareness of benefits of PMFBY, Lack of knowledge regarding to PMFBY, More time required for getting compensation, delay in processing of claims by insurance companies, rate of premium is not universal for all crops, more intermediaries are present in the market, On-line registration and assessment of risk complexity in PMFBY, More intermediaries in the marketing process, unavailability of experts for assessment of loss at visit time, lack of coordination between banks and farmers, High rate of premium, poor socio-economic status of the farmers, individual assessment is not allowed in this scheme, unavailability of reporting authority at the time of loss, lack of well trained insurance professionals, corruption while settling claims by the insurance companies, Lack of proper publicity of PMFBY.

**Keywords:** *Insurance, Pradhan Mantri Fasal Bima Yojana (PMFBY) and Premium*

Agriculture is the important sector of the Indian Economy. The share of agriculture and allied sector to the total Gross Domestic Product (GDP) is 16.00 per cent in Indian economy. In India 54.60 per cent of population is engaged in agriculture and allied activities.. Agriculture plays a vital role in the development of country. But Indian agriculture is characterized by risk bearing and uncertainty because of many factors like, lack of technology, lack of knowledge of risk mitigation, irrigation, weather condition, excessive usage of seeds, fertilizers, pesticide, uncertainty in monsoon, lack of input supply facilities, non availability of proper market facility, pest and diseases, the higher expenditure as compared to production, uncertain income in every year. Due to dependence on weather and biological uncertainties in managing crops, the agriculture production fluctuates in India and thus has direct impact on both the national income and the farmers or the cultivators (Shankar, 2018).

While international and national attention has been focused on crop insurance and risk management in agriculture, most of the farmers are unaware of the benefits of crop insurance schemes. Interestingly, even as the government laid an immense focus on Prime Minister Narendra Modi's 'Pradhan Mantri Fasal Bima Yojana' scheme, non-awareness of farmers to insure for risk management has been found as a major factor in poor response to crop insurance schemes. As far as the farmers are concerned cent per cent of them were provided loans for farming practices. But the field reality is that there are no proper facilities to explain the details of the scheme. Hence, farmers are either unaware or confused to opt for insurance schemes. Mere introduction of schemes do not produce desired result. It also comprises intense propagation & extensive help centers for education to farmers and proper maintenance of data and records which affect largely. Of course, several national level surveys have been conducted on the

status of crop insurance schemes introduced at various time points like NAIS, MNAIS and WBCIS etc., yet, few studies have been conducted on the role of insurance companies and banks in the successful implementation and running of insurance schemes in villages. Moreover, scant studies have been conducted on the role of government in promoting Custom Information Service (CIS) and response of farmer at individual level. On these grounds, the present study has a special significance for the policy makers, educationists and researchers to get details of the crop insurance scheme facilities available and their implementation by the government through agriculture officers.

### MATERIAL AND METHODS

The present study was conducted in Eluru district of Andhra Pradesh during the year 2024. An *Ex-post facto* research design was used in the present investigation. The Eluru district was selected by using simple random sampling procedure in Andhra Pradesh. Four mandals namely Chintalapudi, Lingapalem, T. Narasapuram, and Jeelugumilli were selected from the district by using simple random sampling procedure. From each of the selected mandal, four villages were selected by following

simple random sampling procedure. From each selected village, ten farmers were selected purposively who are using mobile apps. Thus a total of 160 respondents were selected for the study.

Data was collected from the respondents with the help of well-structured interview schedule which was developed keeping in view of the objective of the study. The collected data were coded, classified and tabulated. The frequency and percentage procedure was used for meaningful interpretation of findings and for drawing conclusions.

The data collected pertaining to the problems faced by the respondents and also for suggestions given by the respondents was quantified in terms of the number of respondents who gave the rank based on the importance.

### RESULTS AND DISCUSSION

Majority of the farmers had medium level of the knowledge regarding PMFBY. Majority of the beneficiaries had knowledge about the premium rates, crops covered under kharif, rabi and horticultural crops, intimation of losses about the crops within the particular period of time, reason for failure PMFBY, source of premium for crop insurance. Majority of the farmers had high level of knowledge on aspects

**Table 1. Constraints perceived by beneficiaries in PMFBY**

S. No.	Problems	Frequency	Percentage	Rank
1	Lack of in depth awareness of benefits of PMFBY	139	86.87	I
2	Lack of knowledge regarding to PMFBY.	115	71.87	II
3	More time required for getting compensation.	108	67.5	III
4	Delay in processing of claims by insurance companies	101	63.12	IV
5	Rate of premium is not universal for all crops.	95	59.37	V
6	On-line registration and assessment of risk complexity in PMFBY.	86	53.75	VI
7	More intermediaries in the marketing process	85	53.12	VII
8	Unavailability of experts for assessment of loss at visit time.	80	50	VIII
9	Lack of coordination between banks and farmers.	78	48.75	IX

**Table 2. Suggestions to improve the PMFBY**

S. No.	Suggestions	Beneficiaries		Rank
		F	%	
1	Organizing of awareness programmes for farmers regarding PMFBY.	135	84.37	
2	Procedure of the scheme should be simplified.	123	76.87	
3	Timely payment of compensation should be insured.	118	73.75	
4	Insurance companies to appoint sufficient number of trained agents for PMFBY			
5	Premium rate may be decreased.			

like indemnity of crop damage excluded during losses of war and nuclear risks, companies provide insurance to beneficiaries in Eluru under this scheme, PMFBY is optional for non-farmers etc., Basis for implementation of PMFBY.

Majority of the beneficiaries had medium level of attitude about PMFBY. Majority of beneficiaries had favorable attitude towards PMFBY providing financial support to farmers suffering crop damage arising out of unforeseen events. Usage of smart phones and drone for assessment of crop damage is a ideal measure. More involvement of insurance companies for settlement of claims, lower premium rates than usage of IT in settlement of claims, Premium should be paid by the government.

Out of eleven independent variables education, farming experience, annual income, showed positive and non-significant association with the knowledge. Disaster occurrence pattern, extension contact, land holdings, mass media utilization, training undergone, scientific orientation, risk orientation showed positive and significant association with the knowledge at one per cent level of significance. The variable age showed negative and non-significant relationship towards the knowledge of PMFBY beneficiaries. The land holding, annual income, showed positive and non-significant relationship. The variables like education, farming experience, extension contact, disaster occurrence pattern, mass media utilization,

training undergone, scientific orientation, risk orientation, showed positive and significant relationship at one per cent level of significance towards attitude of beneficiaries towards PMFBY. The variable age showed negative and significant relationship with the attitude of beneficiaries towards PMFBY, (Devi *et al.*, 2023).

## CONCLUSION

Majority of the farmers belonged to medium level of knowledge and moderate level of attitude towards the beneficiaries of PMFBY. This is due to lack awareness and information about PMFBY not provided by the government and insurance companies to the farmers. The bank officials, extension agents and insurance companies should make efforts to enhance and support to make the insurance the crops and the getting the indemnity to the farmers at right time.

## LITERATURE CITED

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