

CONSTRAINTS FACED BY THE BENEFICIARIES OF PMFBY AND SUGGESTIONS GIVEN BY THEM TO OVERCOME THE CONSTRAINTS IN SRIKAKULAM DISTRICT OF ANDHRA PRADESH

ABSTRACT

Unfavourable Climate is the major back lash to the farmers, to surmount that situation crop insurance is the yardstick for the farmers. To stabilize the farm income the farmer has to avail the crop insurance. The Pradhan Mantri Fasal BimaYojana was implemented to protect the farmers from crop loss due to unforeseen events and alleviate the heavy weight of financial risk on farmers and stabilize their farm income. Even though this crop insurance Program was found to be farmer-friendly, rural people still struggle to understand and accept it. The identified findings of the study show the key constraints and suggestions of the sample of 120 farmers in the Srikakulam district of Andhra Pradesh. In srikakulam ten farmers from each village were randomly selected namely Muddada, Ponnada, Ibrahimbad, Konagaram from Etcherla Mandal; Gara, Korlam, Kornu, Kothurusyrigam from Gara Mandal; Telukunchi, Tulasigam, Paitharikerthipuram, Haripuram from Ichchpuram mandal were selected for the study. Thus a total of twelve (12) villages were choosen for the study.

-The ex-post facto Research design was used forth is study. Pearson's Correlation Coefficient (r) and Multiple Linear Regression (MLR) are some statistical tools used in this study. The major constraints faced by the beneficiaries in PMFBY are lack of knowledge regarding PMFBY, lack of awareness of the benefits of crop insurance, delay in payment of compensation, the rate of premium is not universal for all crops, on-line registration and assessment of risk complexity, high rate of premium. The major suggestion given by them to overcome their constraints were to procedure of the scheme should be simplified, organize awareness programs for farmers regarding crop insurance, Organization of training programs on e-filling of insurance and benefit the farmers, the premium rate may be decreased, and Payment of the premium by the government for farmers below the poverty regarding PMFBY.

Key- words: Rate of premium, Indemnity, Constraints, Suggestions.

INTRODUCTION

Agriculture is the back-bone of the Indian Economy. Nearly two- thirds of the agricultural land in the country is rain-fed and almost 20 per cent of India's total land area is perennially drought-prone. The agriculture sector faces several risks viz. financial, personal, and production-related risks. Farmers are highly dependent on monsoon rainfalls. Agriculture in India is proverbially called a **“Gamble on the Monsoon”**. In fact, the **Socio-Economic and Caste Census 2011** have confirmed that 75 per cent of all rural households make less than Rs 5,000 per month. Agricultural production and farm incomes in India are frequently affected by natural disasters, susceptibility of agriculture to these disasters is compounded by the outbreak of epidemics and manmade disasters such as fire, and the sale of spurious seeds. One of the populistic game-changer insurance schemes brought out by the government of India is Pradhan Mantri Fasal Bima Yojana (PMFBY) which not only provides insurance coverage to farmers against natural calamities and pests, but also encourages them to adopt innovative modern agricultural practices.

2. Methodology

The present study was conducted in Srikakulam district of Andhra Pradesh State during the year 2018-2019. The ex-post facto Research design was used forth is study. Srikakulam district was purposively chosen for the study as it is having highest number of farmers enrolment and highest number farmers of beneficiaries of PMFBY in the North Coastal zone of Andhra Pradesh State. In Srikakulam ten farmers from each village randomly selected namely Muddada, Ponnada, Ibrahimbad, Konagaram from Etcherla mandal; Gara, Korlam, Korn, Kothurusyigam from Gara mandal; Telukunchi, Tulasigam, Paitharikerthipuram, Haripuram from Ichchpuram mandal were selected for the study. Thus a total of twelve (12) villages were selected in this study. Pearson's correlation coefficient (r) and Multiple Linear Regression (MLR) are some statistical tools used in this study (please describe this part in method and results).

The data were collected from 120 respondents through personal interview method by using the random sampling technique and With a well-structured interview schedule. Respondents were asked to express problems faced by them during the implementation of PMFBY. The problems faced by respondents were expressed through closed-ended Questions as most of them expressed the same constraints. Thus, obtained responses were summed up and expressed in terms of frequency and percentages. Lastly, a rank was given to each problem. The suggestions given by the respondents for the better implementation of PMFBY were collected and important suggestions were tabulated using frequency and percentage.

3. RESULTS AND DISCUSSION

Table 3.1 Constraints faced by the beneficiaries in PMFBY (n=120)

S.No	Constraints	Frequency	percentage	Rank
1	Lack of knowledge regarding PMFBY	109	90.83	I
2	Lack of awareness of the benefits of PMFBY	105	87.60	II
3	Less compensation is offered in crop insurance schemes.	98	81.67	III
4	Delay in payment of compensation.	91	75.83	IV
5	The rate of premium is not universal for all crops.	90	75.00	V
6	Online registration and assessment of risk complexity in PMFBY.	86	71.67	VI
7	More intermediaries in the marketing process	87	72.66	VII
8	Unavailability of experts for assessment of loss at visit time.	80	66.67	VIII
9	Lack of coordination between banks and farmers.	77	64.16	IX
10	High rate of premium	75	62.50	X
11	Poor socio-economic status of the farmers.	74	61.67	XI
12	Individual assessment is not allowed in this scheme.	72	60.00	XII
13	Unavailability of reporting authority at the time of loss.	70	58.33	XIII
14	Lack of well-trained insurance professionals.	71	59.70	XIV
15	Corruption while settling claims by the insurance companies.	67	55.83	XV
16	Lack of education of farmers.	64	53.33	XVI
17	No availability of source for doubt clarification.	63	52.50	XVII
18	Social stigma in getting crop insurance.	58	48.33	XVII

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19	Low scale of finance.	54	45.00	XIX
20	Insufficient bank facilities in rural areas.	51	42.50	XX

The data in the Table 3.1. reveals that the constraints faced by the beneficiaries in PMFBY in percentage in ranking order of their importance as lack of knowledge regarding to PMFBY, lack of awareness of benefits of PMFBY, Less compensation offered in crop insurance scheme, delay in payment of compensation, 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, 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 education of farmers, non-availability of source for doubt clarification, social stigma in getting crop insurance, low scale of finance, insufficient bank facilities in rural areas.

These results are similar to the findings of Vaardan and Kumar (2012), Mani *et al.* (2012), Khan *et al.* (2013), Khedar and Dhakad (2014), Dhande and Jambavanth (2017), Dayal *et al.*(2017).

Table 3.2. Suggestions are given to overcome the constraints of beneficiaries in PMFBY

S. No.	Suggestions	Beneficiaries		Rank
		F	%	
1.	The procedure of the scheme should be simplified.	114	95.00	I
2.	Organize awareness programs for farmers regarding PMFBY.	112	93.33	II
3.	Organization of training programs on e-filling of insurance and benefit for the farmers.	108	90.00	III
4.	Payment of premium by the government for farmers below the poverty regarding PMFBY.	107	89.17	IV
5.	The premium rate may be decreased.	103	85.83	V
6.	Avoid delay in payment of compensation.	97	80.83	VI
7.	Increase the number of extension agents.	95	79.17	VII
8.	Maintain universal premium for all crops.	94	78.33	VIII
9	Improve linkage between banks and farmers.	91	75.83	IX
10	The unit area may be of individual or a village level.	88	73.33	X

11	Improve the socio-economic conditions of the farmers.	87	72.50	XI
12	Increase the insurance agents in rural areas.	84	70.00	XII
13	Avoid corruption while settling claims.	82	68.33	XIII
14	Organization training for the insurance professionals.	80	66.67	XIV
15	Avoid intermediating in the marketing process.	78	65.00	XV
16	Establishment of night schools to educate adults.	75	62.50	XVI
17	Eliminate Social stigma in getting crop insurance.	69	57.50	XVII
18	Enhancement of scale of finance based on the actual cost of cultivation of crops.	67	55.83	XVIII
19	Establishment of a sufficient number of banks in rural areas.	64	53.33	XIX
20	All the crops including vegetables are covered.	60	50.00	XX

(n=120)

The data in the Table 3.2. Clearly showed that suggestions elicited from the beneficiaries of PMFBY in percentage ranking order of their decreasing importance are Procedure of the scheme should be simplified, Organize of awareness programmes for farmers regarding PMFBY, Organization of training programmes on e-filling of insurance and benefit of the farmers, Payment of premium by the government for farmers below the poverty regarding PMFBY, Premium rate may be decreased, Avoid delay in payment of compensation, Increase the number of extension agents, Maintain universal premium for all crops, Improve linkage between banks and farmers, Unit area may be of individual or a village level, Improve socio-economic conditions of the farmers, Increase the insurance agents in rural areas, Avoid corruption while settling claims, Organization of trainings to the insurance professionals, Avoid intermediating in marketing process, Establishment of night schools to educate adults, Eliminate Social stigma in getting crop insurance, Enhancement of scale of finance based on actual cost of cultivation of crops, Establishment of sufficient number of banks in rural areas, all the crops including vegetables be covered

These results are similar to the findings of Ali (2013), Nayak (2016), Sindhu and Ariff (2017), and Uvaneswaran and Mohanapriya (2014).

Thus, it is the responsibility of the government, extension agency and research institutions to provide the above-suggested facilities to the beneficiaries of Pradhan Mantri Fasal Bima Yojana for getting more benefits from PMFBY.

Conclusion

The responsibility of the government, extension agency and research institutions are to provide the above-suggested facilities to the beneficiaries of Pradhan Mantri Fasal Bima Yojana for getting more benefits from PMFBY. The indemnity is given to farmers by the companies to be credited at right time.

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