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ABSTRACT

Agriculture & Farmers' Welfare - Implementation of Revamped Pradhan Mantri Fasal Bima Yojana (RPMFBY) during Kharif, Rabi & Special Seasons of 2021-2022 by adopting Co-Insurance model on 80:20 proportionate sharing basis - Tender finalized - Approval of Actuarial Premium Rates and Permission to issue work order to the selected Insurance Companies - Administrative Sanction - Accorded - Orders - Issued.

AGRICULTURE & FARMERS' WELFARE (AP2) DEPARTMENT

திருவள்ளூர் ஆண்டு 2052, பிலவ, ஆடி மாதம் 31 - ஆம் நாள்

G.O.(D) No.141

Dated: 16.08.2021

Read:

1. G.O.(Ms). No.178, Agriculture (AP2) Department, dated 07.08.2020
2. G.O.(D). No.178, Agriculture (AP2) Department, dated 03.10.2020.
3. G.O.(D) No.194, Agriculture (AP2) Department, dated 28.10.2020.
4. G.O.(D) No.78, Agriculture & Farmers' Welfare (AP2) Department, dated 09.04.2021.
5. G.O.(D) No.108, Agriculture Farmers Welfare (AP2) Department, dated 28.06.2021.
6. The Government of India Letter No.13012/06/2020, Credit-II, dated 01.07.2021.
7. The Agricultural Production Commissioner and Secretary to Government, D.O.Letter No.14280/AP2/2021-1, dated 20.07.2021.
8. The Government of India Letter No.13012/06/2020, Credit-II, dated 02.08.2021.
9. From the Director of Agriculture, Letter No. CIS1/ 26250/2021, dated 03.08.2021 and 12.08.2021.

ORDER:

The Government of India communicated the policy changes and requested the States to implement Revamped Pradhan Mantri Fasal Bima Yojana from Kharif 2020 onwards. However, in response to the request made by the State Government, the Government of India permitted the Government of Tamil Nadu to implement Revamped Pradhan Mantri Fasal Bima Yojana adopting existing premium rates for Kharif 2020 alone and negotiate with the existing Insurance Companies or invite fresh bid from Rabi 2020-2021 onwards.

2. In the Government Order first read above, the Government have accorded administrative approval for implementation of Revamped Pradhan Mantri Fasal Bima Yojana in all the districts of Tamil Nadu except Chennai from Kharif 2020 season as per the Government of India guidelines (revised).

3. In the Government Order second read above, the Government have directed to implement the Revamped Pradhan Mantri Fasal Bima Yojana in all the districts of Tamil Nadu except Chennai during Special season (Samba) and Rabi season 2020-2021 by adopting new Co-Insurance Model on 80:20 proportionate sharing basis as permitted by the Government of India subject to the conditions mentioned in their letter dated 30.09.2020.

4. In the Government Order third read above, the Government approved the Cluster-wise Implementing Agencies for implementation of Revamped Pradhan Mantri Fasal Bima Yojana (RPMFBY) during Special and Rabi season 2020-21 in all the districts of Tamil Nadu except Chennai and issued notification of Agricultural & Horticultural Crops, Districts, Insurance Units and also Actuarial Premium Rate.

5. As the tender contractual period (Rabi season, 2020-2021) for implementation of Revamped Pradhan Mantri Fasal Bima Yojana with the empanelled Insurance Companies of Government of India ended by March, 2021, in G.O. fourth read above, orders were issued permitting the Director of Agriculture to call for a short tender of 15 days instead of 30 days as per Rule No.20 (2) of Chapter - V of Tamil Nadu Transparency in Tender Rules, 2000 for selection of Insurance Companies for implementation of Revamped Pradhan Mantri Fasal Bima Yojana (RPMFBY) for a period of 3 years commencing from 2021-2022 to 2023-2024 in all the districts of Tamil Nadu except Chennai.

6. Subsequently, the Director of Agriculture in his letter 21.05.2021, has sent the proposal to Government for approval of the Actuarial Premium Rates quoted by the selected Insurance Companies and permission to issue work orders to L1 Insurance Companies for **the e-bids opened on 10.05.2021.**

7. In the Government Order fifth read above, the Government directed the Director of Agriculture to cancel the bids already called for implementation of Revamped Pradhan Mantri Fasal Bima Yojana (RPMFBY) from 2021-22 to 2023-24 and call for retender based on reorganized clustering, since the Actuarial Premium Rates quoted by the Insurance Companies were very high. The Government also permitted the Director of Agriculture to call for a short tender of 7 days instead of 30 days **as per Rule No.20 (2) of Chapter-V of Tamil Nadu Transparency in Tender Rules, 2000** for selection of Insurance Companies for implementation of Revamped Pradhan Mantri Fasal Bima Yojana for a period of 3 years commencing from 2021-2022 to 2023-2024 in all the districts of Tamil Nadu except Chennai.

8. Further the Government of India in their letter sixth read above, has also conveyed that in this case since retender is necessitated because of inadequate participation and higher Actuarial Premium Rates (APR) quoted by the Insurance Companies, the State Government may proceed with retendering for Revamped Pradhan Mantri Fasal Bima Yojana (RPMFBY) for the period 2021-22 to 2023-24.

9. Subsequently, the Director of Agriculture in his letter 29.07.2021, has sent the proposal to Government for approval of the APRs quoted by the selected Insurance Companies and permission to issue work orders to L1 Insurance Companies for **the e-bids opened on 12.07.2021.**

10. Meanwhile as per the advice of Finance Department, Government in the D.O. letter seventh cited, addressed Government of India seeking permission to obtain revised Actuarial Premium Rates from the L1 bidders for implementing Revamped Pradhan Mantri Fasal Bima Yojana (RPMFBY) by adopting either of the

coinsurance models of 80:20 or 60:40 based on the fair revised premium rates furnished by the L1 bidders.

11. In the letter eight cited, the Government of India has permitted the State Government to invite fresh bids for implementing the Revamped Pradhan Mantri Fasal Bima Yojana adopting Co-insurance model of 80:20 for the year 2021-2022 stipulating certain conditions.

12. Accordingly, the Director of Agriculture in his letter dated 3.8.2021, requested the Government to issue orders for cancellation of tender called for on 02.07.2021 and inform the L1 bidders about the cancellation besides permitting to call for a short fresh e-bid from the empanelled Insurance Companies for implementation of Revamped Pradhan Mantri Fasal Bima Yojana (RPMFBY) during 2021-2022 adopting the Co-insurance model of 80:20 proportionate sharing basis.

13. In Government letter dated 03.08.2021, the Government issued orders to cancel the tender invited on 02.07.2021 and call for a short fresh e-bids to implement Revamped Pradhan Mantri Fasal Bima Yojana (RPMFBY) during 2021-2022 by adopting the co-insurance model of 80:20 proportionate sharing basis for selection of Insurance Companies from the empanelled list of Government of India.

14. Accordingly, the Director of Agriculture in the letter dated 12.8.2021, has sent the proposal to Government for approval of the Actuarial Premium Rates (APRs) quoted by the selected Insurance Companies and permission to issue work orders to L1 Insurance Companies for the **e-bids opened on 10.08.2021. Out of the 18 empanelled Insurance Companies**, Agriculture Insurance Company of India Limited (AICIL) and IFFCO TOKIO General Insurance Company Limited (IFFCO TOKIO GIC) alone submitted their bids. The details of Cluster-wise participation by the Insurance Companies are furnished below:

CLUSTER	NO.OF BIDDERS	INSURANCE COMPANIES PARTICIPATED	DISTRICTS
I	2	AICIL & IFFCO	Nagapattinam & Kallakurichi
II	2	AICIL & IFFCO	Thanjavur I & Perambalur
III	2	AICIL & IFFCO	Thoothukudi, Tiruchirapalli & Theni
IV	2	AICIL & IFFCO	Pudukottai I, Ramanathapuram II, Tiruppur, Krishnagiri & The Nilgiris
V	2	AICIL & IFFCO	Villupuram, Madurai & Tirunelveli
VI	2	AICIL & IFFCO	Tiruvallur, Ariyalur, Kancheepuram & Coimbatore
VII	2	AICIL & IFFCO	Sivagangai, Tirupathur, Karur & Dharmapuri
VIII	2	AICIL & IFFCO	Tiruvarur II & Salem
IX	2	AICIL & IFFCO	Tiruvarur I & Vellore
X	2	AICIL & IFFCO	Mayiladuthurai & Erode
XI	2	AICIL & IFFCO	Thanjavur II, Namakkal, Kanyakumari & Chengalpattu
XII	2	AICIL & IFFCO	Tiruvannamalai, Ramanathapuram I & Dindigul
XIII	1	AICIL	Cuddalore & Ranipet
XIV	1	AICIL	Virudhunagar, Pudukottai II & Tenkasi

15. The Tender Finalization & Accepting Committee compared the weighted average of the companies and declared the following company / companies as L1 for cluster. The details of L1 for each cluster for implementation of Revamped Pradhan Mantri Fasal Bima Yojana by adopting 80:20 Co-insurance model on Proportionate sharing basis during 2021-2022 is as follows:-

Cluster	L1 Name of the Insurance Company	Weighted Average Premium of the Insurance Company as % of Sum Insured
I	IFFCO TOKIO General Insurance Company Limited	40.64139
II	Agriculture Insurance Company of India Limited (AICIL)	18.19374
III	IFFCO TOKIO General Insurance Company Limited	29.45135
IV	Agriculture Insurance Company of India Limited (AICIL)	44.45096
V	Agriculture Insurance Company of India Limited (AICIL)	20.07333
VI	Agriculture Insurance Company of India Limited (AICIL)	17.22122
VII	Agriculture Insurance Company of India Limited (AICIL)	35.52132
VIII	Agriculture Insurance Company of India Limited (AICIL)	27.51254
IX	Agriculture Insurance Company of India Limited (AICIL)	34.13327
X	Agriculture Insurance Company of India Limited (AICIL)	21.21412
XI	Agriculture Insurance Company of India Limited (AICIL)	17.32860
XII	Agriculture Insurance Company of India Limited (AICIL)	32.55634
XIII	Agriculture Insurance Company of India Limited (AICIL)	22.11389
XIV	Agriculture Insurance Company of India Limited (AICIL)	28.79584

16. The Tender Finalization & Accepting Committee issued the following orders:

(i). **Agriculture Insurance Company of India Limited (AICIL) was declared as L1 for 12 clusters viz., Cluster II, IV, V, VI, VII, VIII, IX, X, XI, XII, XIII & XIV. However as Agriculture Insurance Company of India Limited (AICIL) alone had bidden for Clusters XIII & XIV, the company was declared as L1 considering the following facts:**

- AICIL is a Public Sector Undertaking which is in the field of Agriculture Insurance for more than 30 years.
- AICIL is implementing Crop Insurance Schemes in Tamil Nadu from 2000 onwards.

- iii. AICIL is the nodal agency for Government of India in implementing PMFBY.
- iv. AICIL has unblemished records in implementation of this scheme in Tamil Nadu.

(ii). IFFCO TOKIO General Insurance Company Limited was declared as L1 for Cluster I & III.

17. As such, an amount of Rs.1,738.81 crore (Agriculture : Rs.1715.42 crore; Horticulture : Rs.24.43 crore) has been allocated in Budget Estimate 2021-2022 out of which an amount of Rs.1,724.14 crore (Agriculture : Rs.1,700.000 crore ; Horticulture : Rs.24.14 crore) has been allocated for settlement of state share of premium subsidy. However, an amount of Rs.1,616 crore (Agriculture : Rs.1,600.000 crore ; Horticulture : Rs.16.00 crore) alone is expected to be utilized for settlement of balance premium subsidy for Special and Rabi seasons of 2020-2021.

18. As per the tender for implementation of Revamped Pradhan Mantri Fasal Bima Yojana (RPMFBY) during 2021-2022 by adopting Coinsurance Model on 80:20 proportionate sharing basis, the expected State share of premium subsidy will be around Rs.1,923 crore (Agriculture : Rs.1,886 crore ; Horticulture : Rs.37 crore) out of which an amount of Rs.697 crore (Agriculture:Rs.674 crore ; Horticulture : Rs.23 crore) will be required to settle the entire premium subsidy for Kharif,2021 and upfront subsidy for Special and Rabi seasons of 2021-2022.

19. Since a sum of Rs.108.00 crore is expected as savings in the budget allocation of 2021-2022, an additional amount of Rs.589 crore (Agriculture:Rs.574 crore ; Horticulture : Rs.15 crore) alone is required to settle the entire premium subsidy for Kharif,2021 and upfront subsidy for Special and Rabi seasons of 2021-2022.

20. The Director of Agriculture has, therefore, requested the Government to issue the following orders:-

1. Approve the district-wise, crop-wise Actuarial Premium Rates quoted by the selected Insurance Companies.
2. Approve the Cluster-wise Implementing Agencies selected by the Chairman of Tender finalising Committee / Director of Agriculture as per the Tamil Nadu Transparency in Tender Act, 1998 and Tamil Nadu Transparency in Tender Rules 2000 and Rules 2012.
3. Permission to issue work orders for 2021-2022 to:-
 - a. *Agriculture Insurance Company of India Limited (AICIL) for 12 clusters viz., Clusters II,IV,V,VI,VII,VIII, IX,X,XI, XII,XIII & XIV and to implement the conditions stipulated by AICIL as per the provisions in the Operational Guidelines and approval of State Level Coordination Committee for Crop Insurance (SLCCCI).*
 - b. *IFFCO TOKIO General Insurance Company Limited for Clusters I and III.*
4. Permit the Director of Agriculture / Director of Horticulture & Plantation crops to notify the Kharif crops for which the enrolment window is open and all crops during Special and Rabi seasons of 2021-2022 in concurrence with SLCCCI meeting.

5. To bear 80% of the Administrative Cost which includes Bank Service Charges, Intermediary / Business Procurement charges, Publicity Expenses and Claim Management Expenses subject to an overall ceiling of 1.6% of the Gross Premium receivable by the Insurance Company.
 6. Provide necessary budget of Rs.589 crore (Agriculture: Rs.574 crore; Horticulture : Rs.15 crore) alone to settle the entire state share of premium subsidy for Kharif,2021 and upfront subsidy for Special and Rabi seasons of 2021-2022 in addition to the amount of Rs.1,738.81 crore (Agriculture : Rs.1715.42 crore; Horticulture : Rs.24.43 crore) allotted in BE 2021-2022.
21. The Government after careful examination of the proposal of the Director of Agriculture hereby issue orders as follows:-
- i. To approve the District-wise, crop-wise Actuarial Premium Rates quotes by the selected Insurance Companies.
 - ii. To approve the Cluster-wise Implementing Agencies selected by the Chairman of Tender Finalizing Committee / Director of Agriculture as per the Tamil Nadu Transparency in Tender Act, 1998 and Tamil Nadu Transparency in Tender Rules 2000 and Rules 2012.
 - iii. To permit to issue work orders for 2021-2022 to:-
 - a) Agriculture Insurance Company of India Limited (AICIL) for 12 Clusters viz., Clusters II, IV, V, VI, VII, VIII, IX, X, XI, XII, XIII and XIV and to implement the conditions stipulated by Agriculture Insurance Company of India Limited as per the provisions in the Operational Guidelines and approval of State Level Coordination Committee for Crop Insurance (SLCCCI)
 - b) IFFCO TOKIO General Insurance Company Limited for Clusters I & III.
 - iv. To permit the Director of Agriculture / Director of Horticulture and Plantation Crops to notify the Kharif crops for which the enrolment window is open and all crops during Special and Rabi seasons of 2021-2022 in concurrence with SLCCCI meeting.
 - v. To bear 80% of the Administrative Cost which includes Bank Service Charges, Intermediary / Business Procurement charges, Publicity Expenses and Claim Management Expenses subject to an overall ceiling of 1.6% of the Gross Premium receivable by the Insurance Company.
 - vi. To provide necessary budget of Rs.589 crore (Agriculture: Rs.574.00 crore; Horticulture : Rs.15.00 crore) alone to settle the entire state share of premium subsidy for Kharif, 2021 and upfront subsidy for Special and Rabi seasons of 2021-2022 in addition to the amount of Rs.1,738.81 crore (Agriculture : Rs.1715.42 crore; Horticulture : Rs.24.43 crore) allotted in Revised Budget Estimate 2021-2022.
22. The Government direct the Director of Agriculture and the Director of Horticulture and Plantation Crops to carry out Crop Cutting Experiments very carefully and correctly avoiding any moral hazards. The Director of Agriculture and Director of Horticulture and Plantation Crops may be monitored closely both by the

Agriculture Department and Commissioner of Economics and Statistics to ensure accuracy and reliability and to verify the area coverage by farmers carefully, particularly in the tail end districts thereby minimizing claims for early season crop losses.

23. This order issues with the concurrence of the Finance Department vide its U.O.18/JS(GKT)/Fin(Agri&FW)/2021, dated 16.08.2021.

(BY ORDER OF THE GOVERNOR)

C.SAMAYAMOORTHY
AGRICULTURAL PRODUCTION COMMISSIONER
AND SECRETARY TO GOVERNMENT

To

The Director of Agriculture, Chennai-5.

The Director of Horticulture and Plantation Crops, Chennai-5.

The Pay and Accounts Officer (East), Chennai-8.

The Principal Accountant General (G&SSA / E&RSA / C&RA / A&E / AAD), Chennai 18.

The Resident Audit Officer, Office of the Principal Accountant General (General and Social Sector Audit), Chennai-9.

Copy to:-

Office of the Hon'ble Chief Minister, Chennai-9.

The Special Personal Assistant to the Hon'ble Minister for Finance & Human Resource Management Department, Chennai-9.

The Special Personal Assistant to the Hon'ble Minister for Agriculture & Farmers' Welfare Department, Chennai-9.

The Senior Private Secretary to Agricultural Production Commissioner and Secretary to Government, Agriculture and Farmers' Welfare Department, Chennai-9.

The Finance (Agriculture) Department, Chennai-9.

The Assistant Programmer, Agriculture & Farmers' Welfare Department, Chennai-9.

The Agriculture & Farmers' Welfare (OP3) Department, Chennai-9. (2 copies)

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[Signature]
17/8/2021
SECTION OFFICER
[Signature]
19/8/21

Agriculture & Farmers' Welfare (AP2) DepartmentANNEXURE I

(G.O.(D) No.141, Agriculture & Farmers' Welfare (AP2)
Department, dated 16.08.2021)

Pradhan Mantri Fasal Bima Yojana-L1 BIDDERS		
S.No	Approved Implementing Agency	Cluster
1	Agriculture Insurance Company of India Limited (AICIL)	12 clusters: II, IV, V, VI, VII, VIII, IX, X, XI, XII, XIII & XIV
2	IFFCO TOKIO General Insurance Company Limited	2 clusters : I & III

C.SAMAYAMOORTHY,
AGRICULTURAL PRODUCTION COMMISSIONER
AND SECRETARY TO GOVERNMENT

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[Signature]
17/8/2021
SECTION OFFICER
[Signature]
17/8/21

S. No	DISTRICT	BANANA	BHENDI	BRINJAL	CABBAGE	CARROT	GARLIC	GINGER	ONION	POTATO	RED CHILLIES	TAPIOCA	TOMATO	TURMERIC
24	Cluster 8 Thiruvavur 2	25.00												
25	Salem	30.00	30.00						30.00			30.00	48.00	17.00
26	Cluster 9 Thiruvavur 1													
27	Vellore	29.00		37.00										
28	Cluster 10 Mayiladuthurai												28.00	17.00
29	Erode	25.00	25.00		25.00				25.00	10.00		15.00		20.00
30	Cluster 11 Thanjavur II	14.00												
31	Namakkal	30.00												
32	Kanniyakumari	27.00							30.00			30.00	30.00	30.00
33	Chengalpattu											25.00		
34	Cluster 12 Tiruvannamalai													
35	Ramanathapuram I													25.00
36	Dindigul	34.00	30.00	35.00					25.00	25.00			25.00	
37	Cluster 13 Cuddalore	21.00	10.00	25.00								10.00		
38	Ranipet	33.00												25.00
39	Cluster 14 Virudhunagar	34.00												
40	Pudukkottai II	25.00							30.00					
41	Tenkasi	31.00							25.00			25.00	30.00	

ANNEXURE II
PMFBY - RABI 2021-2022 - APPROVED PREMIUM RATE & FARMER'S SHARE OF PREMIUM - HORTICULTURAL CROPS

S. No	DISTRICT	BANANA	BHENDI	BRINJAL	CABBAGE	CARROT	GARLIC	GINGER	ONION	POTATO	RED CHILLIES	TAPIOCA	TOMATO	CORIANDER
	Cluster 1													
1	Nagapattinam													
2	Kallakurichi								26.75		28.78	30.00		
	Cluster 2													
3	Thanjavur I	15.00												
4	Perambalur								15.00			25.00		
	Cluster 3											15.00	30.00	
5	Thoothukkudi	26.00	26.00											
6	Tiruchirappalli	24.78							28.50		25.00			26.00
7	Theni	26.00		26.00	24.23				26.00		26.00	24.76		
	Cluster 4												26.00	26.00
8	Pudukkottai I	15.00												
9	Ramanathapuram II	35.00												
10	Tiruppur	25.00												
11	The Nilgiris	30.00			42.00	23.00	27.00	58.00	10.00	22.00	23.00	30.00	25.00	52.00
12	Krishnagiri	30.00		30.00	30.00					30.00	30.00		33.00	30.00
	Cluster 5													
13	Villupuram	25.00		25.00										
14	Madurai	25.00									25.00	25.00		
15	Tirunelveli	10.00	25.00						30.00		15.00		35.00	
	Cluster 6													
16	Thiruvallur		30.00	30.00							15.00			
17	Ariyalur										30.00			
18	Coimbatore			50.00					25.00			30.00	40.00	50.00
19	Kancheepuram	10.00												
	Cluster 7													
20	Swaganai	15.00							15.00		17.00			
21	Karur	10.00							25.00		30.00	10.00	30.00	
22	Dharmapuri	30.00	30.00	30.00					23.00			30.00	30.00	
23	Tirupathur	39.00										30.00	36.00	

S. No	DISTRICT	BANANA	BHENDI	BRINJAL	CABBAGE	CARROT	GARLIC	GINGER	ONION	POTATO	RED CHILLIES	TAPIOCA	TOMATO	CORIANDER
24	Cluster 8													
25	Thiruvavur 2	10.00										25.00		
26	Salem	20.00	30.00						31.00			16.00	31.00	
27	Cluster 9													
28	Thiruvavur 1													
29	Vellore	12.00		25.00								17.00		
30	Cluster 10												30.00	
31	Mayiladuthurai	10.00										10.00		
32	Erode	10.00	25.00		25.00				20.00			25.00		
33	Cluster 11													
34	Thanjavur II	25.00												
35	Namakkal	30.00												
36	Kanniyakumari	16.00							19.00			30.00	30.00	
37	Chengalpattu	25.00		25.00								25.00		
38	Cluster 12													
39	Tiruvannamalai	25.00												
40	Ramanathapuram I	27.00									31.00	10.00		
41	Dindigul	25.00	30.00	32.00					36.00		16.00			52.00
42	Cluster 13								23.00		25.00			
43	Cuddalore	10.00		25.00										
44	Ranipet	27.00	25.00	25.00								17.00		
45	Cluster 14										25.00			
46	Virudhunagar	30.00												
47	Pudukkottai II	25.00							35.00		10.00			17.00
48	Tenkasi	25.00							25.00		25.00	25.00		

ANNEXURE II

(G.O.(D) No.141, Agriculture & Farmers' Welfare (AP2) Department, dated 16.08.2021)

PMFBY - RABI SPECIAL SEASON 2021-22 - APPROVED PREMIUM RATE & FARMER'S SHARE OF PREMIUM - HORTICULTURAL CROPS

S. No	DISTRICT	ONION II	
		APPROVED PREMIUM RATE (% OF SI)	PREMIUM RATE OF FARMERS (%)
	CLUSTER 2		
1	Perambalur	22	5
	CLUSTER 3		
2	Tiruchirapalli	30	5
	CLUSTER 11		
3	Namakkal	24	5

**C.SAMAYAMOORTHY,
AGRICULTURAL PRODUCTION COMMISSIONER
AND SECRETARY TO GOVERNMENT**

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[Signature]
16/8/2021
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