

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

RAJYA SABHA
UNSTARRED QUESTION NO. 7
TO BE ANSWERED ON 02/02/2024

REFUSAL OF INSURANCE PAYMENT UNDER PMFBY

7. SHRI RAJEEV SHUKLA:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether Government is aware that there are incidents of refusal by insurance companies to pay insurance under Pradhan Mantri Fasal Bima Yojana (PMFBY) to farmers;
- (b) if so, whether any steps have been taken by Government in this regard, if so, the details in this regard;
- (c) whether any complaints have been received in this regard during the last three years; and
- (d) if so, the details thereof, including the total number of complaints, and action taken thereon ?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI ARJUN MUNDA)

(a) to (d) : All the major work like selection of Insurance Companies through transparent bidding process, assessment of crop yield/crop loss for calculation of admissible claims are being performed by the concerned State Government or Joint Committee of State Government officials and concerned insurance company. The roles and responsibilities of each stakeholder are defined in the Operational Guidelines of the scheme for the proper execution of the scheme. However, during the implementation of PMFBY, some complaints against insurance companies about non-payment and/or delayed payment of claims; under payment of claims on account of incorrect/delayed submission of insurance proposals by banks; discrepancy in yield data & consequent disputes between State Government and insurance companies, delay in providing State Government share of funds, non-deployment of sufficient personnel by insurance companies etc., have been received in the past which have been suitably addressed as per provisions of the scheme.

Further, the PMFBY operational guidelines provide for stratified grievance redressal mechanism. To better resolve all the grievances/complaints under the scheme, a Unified Krishi Rakshak Helpline has been developed to serve as the centralized grievance redressal platform.

In addition, the PMFBY guidelines also provide for the resolution of yield disputes, between Insurance Companies and States through State Level Technical Advisory Committee (STAC) and in case it is unresolved at State level, further escalation can be made before the Technical Advisory Committee (TAC) at Centre Level .

Further, the Department has developed a National Crop Insurance Portal (NCIP) for ensuring subsidy payment, co-ordination, transparency, dissemination of information and delivery of services

including direct online enrollment of farmers, uploading/obtaining individual insured farmer's details for better monitoring and to ensure transfer of claim amount electronically to the individual farmer's Bank Account.

Also, towards leveraging technology in implementation of the scheme, various steps like capturing of yield data/Crop Cutting Experiments (CCEs) data through CCE-Agri App & uploading it on the NCIP, allowing insurance companies to witness the conduct of CCEs, integration of State land records with NCIP etc. have already been taken to improve timely settlement of the claims to farmers. Following technologies for Objective Crop Damage & Loss Assessment and transparency have also been approved recently for implementation w.e.f. 2023-24 :

- YES-TECH (Yield Estimation System Based on Technology) for gradual migration to Remote-Sensing based yield estimation to help assess yields as well as fair and accurate Crop Yield Estimation. This initiative has been launched for paddy & wheat crops from Kharif 2023 wherein 30% weightage to yield estimation will mandatorily be assigned to YES-TECH derived yield.
- WINDS (Weather Information Network and Data System) for Network of Automatic Weather Stations (AWS) & Automatic Rain-Gauges (ARG) for collecting hyper-local weather data at GP & Block level. This will be fed into a National unified network of AWS & ARG with interoperability & sharing of data in coordination with India Meteorological Department (IMD). WINDS will provide data not only for YES-TECH but also for effective drought & disaster management, accurate weather prediction and offering better parametric insurance products.
- CROPIC (Collection of Real-time photos and Observations of Crops) for Geo-tagged photographs for validation of sown Crop with Insured Crop and use of pictorial analytics for Objective Crop Damage Assessment & Crop Yield Estimation.

Department has been regularly monitoring the functioning of insurance companies, including timely settlement of claims through weekly video conferences of all stakeholders, one to one meeting as well as National Review Conferences. In order to rigorously monitor claim disbursement process, a dedicated module namely 'Digicclaim Module' has been operationalized for payment of claims from Kharif 2022 onwards. It involves integration of National Crop Insurance Portal (NCIP) with PFMS and accounting system of Insurance Companies to provide timely & transparent processing of all claims.

Based on the experience gained, views of various stakeholders and with a view to ensure better transparency, accountability, timely payment of claims to the farmers and to make the scheme more farmer friendly, Government has periodically revised the Operational Guidelines of the PMFBY comprehensively to ensure that the eligible benefits under the scheme reach the farmers timely and transparently.
