

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

RAJYA SABHA
UNSTARRED QUESTION NO-1308
TO BE ANSWERED ON 02/08/2024

PROCESSING AND SETTLEMENT OF CLAIMS UNDER PMFBY

1308. SMT. PRIYANKA CHATURVEDI:

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

- (a) the total number of farmers enrolled under the Pradhan Mantri Fasal Bima Yojana (PMFBY) since 2019, and the change in number of farmers enrolled annually;
- (b) the key improvements made under the Scheme in the last three years to address farmers' concerns;
- (c) the total amount of insurance claims made and settled under the PMFBY, State-wise and crop-wise; and
- (d) the measures being taken to ensure timely processing and settlement of insurance claims to support farmers effectively?

ANSWER

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
(SHRI RAMNATH THAKUR)

(a): The Pradhan Mantri Fasal Bima Yojana (PMFBY) was introduced in the country from Kharif 2016 season. Since inception of the scheme in Kharif 2016, 27 States/Union Territories have implemented the PMFBY in one or more seasons. State-wise details of number of farmers applications insured under Pradhan Mantri Fasal Bima Yojana (PMFBY) during 2019-20 to 2023-24 are given in **Annexure-I**. Farmer applications have shown increasing trend year on year and that in 2023-24 is being at all time high.

(b): The review/revisions / rationalization / improvements in the crop insurance schemes is a continuous process and decision on suggestion/ representations/ recommendations of the stakeholders/studies are taken from time to time. 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.

Keeping in view the experience gained in implementation of the scheme and views of the stakeholders, Government has taken various measures like (a) increase in tenure to 3 years for selection of insurance company through bidding process; (b) introduction of three alternative risk models viz. Profit and Loss Sharing, Cup and Cap (60-130), Cup and Cap (80-110) under which if no claim is made then a portion of the premium paid by the state will go into the state treasury itself; (c) infusion of improved technology i.e. introduction of National Crop Insurance Portal (NCIP), Yield Estimation System based on Technology (YES-TECH), Weather Information Network and Data System (WINDS), Collection of Real time Observations and Photographs of Crops (CROPIC), integration of State Land Records with NCIP, Digicclaim module on NCIP to work out and settle the claims directly to farmers account using Public Finance Management System (PFMS); (d) increased IEC activities etc. to improve the implementation and coverage under the scheme. Due to efforts made by the Government coverage under the scheme has been increasing year-on-year and farmers are subscribing to the scheme voluntarily rather than because of subscription of bank loans.

(c) & (d) : As per provisions of PMFBY, insured farmers do not need to file claims in respect of wide spread calamities like drought, flood etc. as the scheme is mainly implemented on 'Area Approach' basis. Admissible claims are worked out and paid directly to the insured farmer's account by the insurance companies through **Digicclaim module** on National Crop Insurance Portal (NCIP) based on the yield data, per unit area, furnished to the insurance company by the concerned State Government and claim calculation formula envisaged in the Operational Guidelines of the scheme.

However, losses due to localized risks of hailstorm, landslide, inundation, cloud burst, natural fire and post-harvest losses due to cyclone, cyclonic/unseasonal rains & hailstorms are calculated on individual insured farm basis. Here farmers are required to intimate the event of loss to insurance company/State Government/concerned financial institution/portal/app within 72 hours of the loss. These claims are assessed by a joint committee comprising representatives of State Government and concerned insurance company. State-wise details of claims paid under PMFB Y during 2019-20 to 2023-24 are given in Annexure-II.

As per provisions of revamped Operational Guidelines of the scheme insurance companies have to pay penal interest @12% per annum to the farmers for the period beyond

the stipulated period in the PMFBY Guidelines from the date of receipt of final yield data from the State Government and completion of crop damage survey.

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 Public Finance Management System (PFMS) and accounting system of Insurance Companies to provide timely & transparent processing of all claims. Further, Government of India is releasing its share of premium subsidy in advance by delinking the same from release of State Government's share.

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.

Annexure-I

Details of Number of farmer applications insured from 2019-20 to 2023-24 under PMFBY (as on 30.06.2024)

| State Name | Farmers' Applications Insured (Lakh) | | | | |
|------------------|--------------------------------------|---------------|---------------|----------------|----------------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| A & N Islands | 0.00 | 0.00 | 0.01 | 0.00 | 0.00 |
| Andhra Pradesh | 27.88 | - | - | 125.59 | 127.52 |
| Assam | 10.06 | 16.60 | 9.96 | 4.90 | 7.99 |
| Chhattisgarh | 40.17 | 51.58 | 58.39 | 77.30 | 81.11 |
| Goa | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 |
| Gujarat | 24.81 | - | - | - | - |
| Haryana | 17.11 | 16.51 | 14.53 | 14.47 | 94.96 |
| Himachal Pradesh | 2.84 | 2.41 | 2.34 | 2.68 | 2.76 |
| Jammu & Kashmir | - | - | 0.91 | 0.92 | 2.45 |
| Jharkhand | 10.92 | - | - | - | - |
| Karnataka | 19.75 | 15.94 | 19.34 | 26.85 | 29.30 |
| Kerala | 0.58 | 0.76 | 0.99 | 1.47 | 1.74 |
| Madhya Pradesh | 83.97 | 84.52 | 92.64 | 177.32 | 177.83 |
| Maharashtra | 145.66 | 124.06 | 99.02 | 107.34 | 241.37 |
| Manipur | 0.03 | - | 0.03 | 0.04 | 0.05 |
| Meghalaya | 0.01 | 0.00 | - | 0.00 | 0.39 |
| Odisha | 48.79 | 97.53 | 81.74 | 80.21 | 140.73 |
| Puducherry | 0.12 | 0.11 | 0.36 | 0.31 | 0.39 |
| Rajasthan | 86.17 | 107.59 | 344.71 | 390.96 | 388.81 |
| Sikkim | 0.00 | 0.00 | 0.02 | 0.05 | - |
| Tamil Nadu | 38.94 | 58.87 | 59.11 | 61.43 | 54.64 |
| Telangana | 10.34 | - | - | - | - |
| Tripura | 0.36 | 2.57 | 3.36 | 3.56 | 3.64 |
| Uttar Pradesh | 46.98 | 41.90 | 40.69 | 42.83 | 59.33 |
| Uttarakhand | 2.13 | 1.71 | 1.83 | 2.82 | 2.11 |
| Total | 617.63 | 622.67 | 829.95 | 1121.03 | 1417.12 |

Annexure-II**State-wise details of Claims paid from 2019-20 to 2022-23 under PMFBY (as on 30.06.2024)**

| States | Claims Paid (Rs. in Crore) |
|--------------------|-----------------------------------|
| A & N Islands | 0.26 |
| Andhra Pradesh | 1819.94 |
| Assam | 589.42 |
| Chhattisgarh | 4157.28 |
| Goa | 0.01 |
| Gujarat | 442.85 |
| Haryana | 6400.93 |
| Himachal Pradesh | 242.35 |
| Jammu & Kashmir | 62.05 |
| Jharkhand | 27.75 |
| Karnataka | 5593.68 |
| Kerala | 474.6 |
| Madhya Pradesh | 17925.01 |
| Maharashtra | 17722.79 |
| Manipur | 4.09 |
| Meghalaya | 0.26 |
| Odisha | 3335.5 |
| Puducherry | 20.52 |
| Rajasthan | 18640.12 |
| Sikkim | 0.55 |
| Tamil Nadu | 5626.36 |
| Telangana | 507.96 |
| Tripura | 6.32 |
| Uttar Pradesh | 3520.7 |
| Uttarakhand | 554.05 |
| Grand Total | 87675.09 |
