

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

RAJYA SABHA
UNSTARRED QUESTION NO-683
TO BE ANSWERED ON 05/12/2025

CLIMATE DRIVEN CROP LOSSES AND DELAYS IN INSURANCE PAYOUTS

683 Shri Vivek K. Tankha:

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

- (a) whether extreme weather events in 2022–25, particularly, unseasonal rains, heatwaves, and floods led to a sharp rise in delayed crop insurance claims under Pradhan Mantri Fasal Bima Yojana (PMFBY);
- (b) the State-wise and calamity-wise data on total premiums collected, claims filed, claims approved, and payouts pending or delayed;
- (c) the reasons recorded for delays by insurers, banks or assessment agencies; and
- (d) the measures proposed to ensure real-time loss assessment, faster verification, mandatory timelines, and penalties for non-compliance to secure timely compensation for affected farmers?

ANSWER

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

(a) & (b) : No Sir. The Pradhan Mantri Fasal Bima Yojana (PMFBY) is mainly implemented on 'Area Approach' basis and comprehensive risk coverage for crops of farmers against all non-preventable natural risks from pre-sowing to post-harvest stages of the crops at very minimum premium for the farmers is provided under the scheme. Admissible claims are worked out and paid directly to the insured farmer's account by the insurance companies through DigiClaim 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 upon receipt of Centre and State Government's requisite share in premium subsidy. Farmers need not intimate crop loss in respect of these claims. As the claims are worked out on the basis of area approach, no specific reason for the loss such as flood, drought, high temperature, climate change etc. is recorded. However, reasons of losses are recorded in case of add on perils where claims are worked out on the basis individual farmer/farm.

State-wise details of premium collected from farmers, claims calculated for payment, claims approved, claims paid and pending during last three years i.e. 2022-23 to 2024-25 under PMFBY are given in **Annexure**.

(c) & (d) : Majority of the claims are settled within the stipulated timelines i.e within 21 days of the receipt of requisite yield data from the concerned State Government, by the insurance companies. However, during the implementation of PMFBY, some complaints were received in the past about payment of claims which are primarily on account of (a) delay in providing State Government share of subsidy (b) non-payment/delayed payment or under payment of claims on account of incorrect/delayed submission of insurance proposals by banks (c) discrepancy in yield data & consequent disputes between State Government and insurance companies etc. The pending claims on account of these issues are settled after their resolution as per provisions of the scheme.

Government has taken various steps to strengthen implementation of this scheme all over India including Kerala State to bring transparency and ensure timely settlement of claims:

- Government has undertaken development of **National Crop Insurance Portal (NCIP)** as a single source of data 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.
- In order to rigorously monitor claim disbursement process, a dedicated module namely '**Digiclaim Module**' has been operationalized for payment of claims from Kharif 2022 onwards. It involves integration of NCIP with Public Finance Management System (PFMS) and accounting system of Insurance Companies to provide timely & transparent processing of all claims.
- Delinking of Central Government share of premium subsidy from that of State Governments has been implemented so that farmers can get proportionate claims relating to the Central Government share.
- As per the Operational Guidelines of PMFBY, in case payment is not made timely by Insurance Company, a penalty of 12% is auto-calculated and levied through National Crop Insurance Portal (NCIP) w.e.f. Kharif 2024.
- Similarly, if State Government delayed its premium subsidy from stipulated time period, a penalty of 12% is to be paid by them also.
- Tranche based claims settlement has been initiated from 2025-26.
- 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 implemented w.e.f. 2023-24 under the scheme:

- i. **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. Soybean crop has been added from Kharif 2024 season.
- ii. **WINDS (Weather Information Network and Data System)** for setting up of Network of Automatic Weather Stations (AWS) & Automatic Rain-Gauges (ARG) to the tune of 5 times of existing network for collecting hyper-local weather data at GP & Block level. This will be fed into a National database with interoperability & sharing of data in coordination with India Meteorological Department (IMD). WINDS provides data not only for YES-TECH but also for effective drought & disaster management, accurate weather prediction and offering better parametric insurance products.

Since the scheme is implemented by the State Government, therefore, in order to resolve the grievances/complaints including those related to claims of insured farmers, provision of Stratified Grievance Redressal Mechanism viz. District Level Grievance Redressal Committee (DGRC), State Level Grievance Redressal Committee (SGRC) has been made in the Revised Operational Guidelines of the Scheme. These committees have been given the detailed mandate as outlined in the Operational Guidelines for hearing the complaints/ grievances and to dispose them as per the stipulated procedure.

To further improve the grievance redressal mechanism, Krishi Rakshak Portal and Helpline (KRPH) has been developed. A single Pan-India toll free number 14447 has been deployed and linked to the insurance companies database, where farmers can raise their grievances/issues. Timelines to resolve these grievances/issues has also been fixed.

Department is 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

PMFBY & RWBCIS : Cumulative State-wise details of premium collected from farmers, Claims calculated, Claims approved, Claims Paid and Pending from 2022-23 to 2024-25 ((as on 31st October, 2025))					
State/UT	Farmers Share	Claims Calculated	Approved Claims	Paid Claims	Pending Claims
	(Rs. In Crore)				
A & N Islands	0.01	0.05	0.02	0.02	0.03
Andhra Pradesh	32.87	3,124.45	765.62	747.08	2,377.37
Assam	18.73	169.08	163.20	161.29	7.79
Chhattisgarh	657.34	1,394.07	1,391.13	1,389.47	4.60
Goa	0.01	0.01	0.01	0.01	0.00
Haryana	781.06	3,174.24	3,158.73	3,142.14	32.10
Himachal Pradesh	104.18	218.01	217.25	212.31	5.70
Jammu & Kashmir	34.67	69.77	69.75	67.19	2.58
Jharkhand	0.27	27.28	0.07	-	27.28
Karnataka	1,115.98	7,505.03	7,389.49	7,389.49	115.54
Kerala	36.23	357.32	356.29	345.14	12.17
Madhya Pradesh	1,986.71	3,340.77	3,334.45	3,301.05	39.72
Maharashtra	1,261.64	20,599.49	20,506.82	20,373.07	226.42
Manipur	1.48	5.45	5.38	5.28	0.17
Meghalaya	0.05	24.23	24.23	23.97	0.25
Odisha	156.90	974.29	973.06	963.79	10.50
Puducherry	0.01	8.69	7.79	7.29	1.40
Rajasthan	2,840.90	9,950.25	9,924.01	9,787.70	162.55
Sikkim	0.26	0.02	0.01	0.01	0.01
Tamil Nadu	466.92	2,417.43	2,388.76	2,359.28	58.14
Tripura	1.42	4.57	4.55	4.46	0.11
Uttar Pradesh	836.43	1,921.70	1,903.61	1,878.34	43.35
Uttarakhand	184.87	865.67	775.86	711.37	154.30
Total	10,518.95	56,151.88	53,360.09	52,869.78	3,282.10
