

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

RAJYA SABHA
UNSTARRED QUESTION NO.827
TO BE ANSWERED ON 06/02/2026

DELAY IN COMPENSATION PAYMENTS UNDER PMFBY

827 SHRI NEERAJ DANGI:

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

- (a) the reasons for delays in payment of compensation to farmers under the Pradhan Mantri Fasal Bima Yojana (PMFBY);
- (b) whether Government is considering requiring insurance companies to settle farmers' claims within a prescribed time frame, if so, the details thereof;
- (c) whether there are any penal provisions against insurance companies for delayed payments or incorrect reporting, if so, the details thereof; and
- (d) whether Government is considering implementing PMFBY entirely through public sector companies in the future?

ANSWER

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

- (a) & (b): Majority of the claims are settled within the stipulated timelines under the Operational Guidelines of the Pradhan Mantri Fasal Bima Yojana (PMFBY) i.e within 21 days of the receipt 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 issue are settled after their resolution as per provisions of the scheme.
- (c): 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. W.e.f. Kharif 2024, in case payment is not made timely by Insurance Company, penalty of 12% is auto-calculated and levied through NCIP.
- (d): No such proposal is under consideration at present.
