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

RAJYA SABHA
UNSTARRED QUESTION NO. 656
TO BE ANSWERED ON 24/07/2026

CLIMATE RISK AND CROP INSURANCE

656. SHRI G.C. CHANDRASHEKHAR:

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

(a) whether Government has undertaken a district-wise assessment of crop losses due to extreme weather events during Financial Year 2023-24 to Financial Year 2025-26 and compared the same with claims settled under the Pradhan Mantri Fasal Bima Yojana (PMFBY);

(b) the districts where the gap between assessed crop losses and insurance claims settled exceeded 20 per cent; and

(c) the corrective measures proposed to improve claim assessment and timely settlement ?

ANSWER

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

(SHRI RAMNATH THAKUR)

(a) & (b): The Pradhan Mantri Fasal Bima Yojana (PMFBY) and Restructured Weather Based Crop Insurance Scheme (RWBCIS) is mainly implemented on 'Area Approach' basis wherein claims are worked out on the area of the land parcel based on the shortfall in actual yield of the crop insured, submitted by the State Government concerned, on the basis of Crop Cutting Experiment (CCE) as well as technology based yield estimated under YES-TECH (wherever applicable), vis-à-vis threshold yield, as per the formula 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 under PMFBY and RWBCIS. The extent of loss and claims in such case are assessed by a joint committee comprising representatives of State Government and concerned insurance company within stipulated timeframe under the Operational Guidelines of the scheme.

Further, as per the National Policy on Disaster Management (NPDM), the State Governments undertake relief measures in the wake of natural calamities from funds available in the form of the State Disaster Response Fund (SDRF) in accordance with the Government of India approved items and norms. Additional financial assistance, over and above SDRF, is considered from the National

Disaster Response Fund (NDRF), as per laid down procedure, in case of disaster of 'severe nature', which includes an assessment based on the visit of an Inter-Ministerial Central Team (IMCT).

At the field level, loss assessment under SDRF is done through a joint field survey by Revenue and Agriculture Department officials. Input subsidy becomes payable only where crop loss is assessed at 33% or more. For SDRF, the State conducts its own assessment whereas for NDRF assistance, the State submits a memorandum to the Government of India, after which an IMCT visits and physically verifies the damage.

The loss assessment under SDRF and NDRF is done only during natural calamities in the specific area of the State and is not a regular District level crop loss assessment. Hence, the same cannot be compared with claims settled under PMFBY and RWBCIS.

(c): Following steps have been taken by Govt. of India to for timely settlement of claims under the Pradhan Mantri Fasal Bima Yojana:

- Government has undertaken development of National Crop Insurance Portal (NCIP) as a single source of data for subsidy payment, dissemination of information, delivery of services including online enrollment of farmers, uploading/obtaining individual insured famer's details and transfer of claim amount electronically to the individual farmer's Bank Account.
- In order to rigorously monitor claim disbursal process, a dedicated module namely **'Digiclaim 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.
- 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.
- 12% penalty is also levied from Kharif 2025 on State Government for delay in release of State share of subsidy.
- Opening of ESCROW Account by the State Government concerned for deposit of their premium share in advance as per provisions of the scheme has been made mandatory w.e.f. Kharif 2025 season for bringing financial discipline.
- 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 and usage of remote sensing based yield estimation through YES-TECH have already been taken to improve timely settlement of the claims to farmers.

- **Crop Loss Assessment App (CLAP)**, developed as a digital mobile application to streamline and improve the efficiency of crop loss assessments for loacalised calamities/post harvest losses for individual farms and land parcels under PMFBY. The use of CLAP has been made mandatory for all the States/UTs under the scheme.

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