

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

**LOK SABHA**  
**UNSTARRED QUESTION NO.3756**  
TO BE ANSWERED ON THE 16<sup>TH</sup> JULY, 2019

**ACCOUNTABILITY OF CROP INSURANCE COMPANIES**

3756. SHRI RODMAL NAGAR:  
SHRI JANARDAN MISHRA:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether some more decisions have been taken by the Government to fix accountability on insurance companies and banks under crops insurance scheme;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor and the plan of the Government for fixing total/ complete accountability on insurance company and banks?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (c): Pradhan Mantri Fasal Bima Yojana (PMFBY) is being implemented through multi-agencies and role and responsibilities of of each stakeholder are defined. For proper implementation of the scheme, accountability alongwith various checks and balances have been made in the operational guidelines of the scheme, so that no one can take undue advantage of the scheme.

Further, with a view to ensure better transparency, accountability of all stakeholders including insurance companies and banks, timely payment of claims to the farmers and to make the scheme more farmer friendly, Government has comprehensively revised the Operational Guidelines of the Pradhan Mantri Fasal Bima Yojana (PMFBY) which have become effective from Rabi 2018-19.

The accountability on insurance companies has further been ensured by the provision of imposing 12% penalty on insurance companies for delay/non-settlement of claims. Provisions for performance evaluation of insurance companies with various punitive actions including de-panelsment of insurance companies have also been incorporated in revised Operational Guidelines implemented w.e.f. Rabi 2018-19 season. Further, the banks have been made responsible to pay eligible claims, if any farmer is deprived from benefits under the scheme due to errors/omissions/commissions of banks.