

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

LOK SABHA
UNSTARRED QUESTION NO. 252
TO BE ANSWERED ON THE 5TH DECEMBER, 2023

COMPLAINTS REGARDING INSURANCE COMPANIES

252. SHRI SHRINIWAS PATIL:

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

- (a) whether any complaints have been received regarding the non payment or insufficient payment of insurance to farmers by agricultural insurance companies especially in the State of Maharashtra;
- (b) if so, the measures that the Government has proposed to take to solve this problem; and
- (c) the mechanism provided by the Government to the farmers to redress such complaints against the insurance companies?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (c) : The selection of Insurance Companies is done by the State Governments by a transparent bidding process wherein the L1 bidder is awarded the cluster. The roles and responsibilities of each stakeholder are defined in the operational guidelines of the scheme for the proper execution of the scheme. However, during the implementation of PMFBY, some complaints against insurance companies about non-payment and delayed payment of claims; under payment of claims on account of incorrect/delayed submission of insurance proposals by banks; discrepancy in yield data & consequent disputes between State Government and insurance companies, delay in providing State Government share of funds, non-deployment of sufficient personnel by insurance companies etc., have been received in the past which have been suitably addressed .

Further, the PMFBY operational guidelines provide for stratified grievance redressal mechanism. At the initial level, for grievance redressal, each block & district have designated block/district level grievance redressal officer to respond to the grievances of Farmers, Banks, Insurance Companies etc. within 7 days of receipt of grievance. In case of dissatisfaction at block level, the matter can be brought before District Level Grievance Redressal Committee (DGRC) headed by the District Magistrate/Collector. In case of

disagreement with the decision by any party at district level; the same is represented to the State Level Grievance Redressal Committee (SGRC) within 15 days from the decision of DGRC. SGRC is headed by Principal Secretary/Secretary of Nodal Department. The SGRC has to dispose the grievance within 15 days time of receipt of grievance. The decision of the Committee shall be accepted by all the parties.

In addition, the PMFBY guidelines also provide for the resolution of yield disputes, between Insurance Companies and States through State Level Technical Advisory Committee (STAC) and in case it is unresolved at State level, further escalation can be made before the Technical Advisory Committee (TAC) at Centre Level .

Further, the Department has developed a National Crop Insurance Portal (NCIP) for ensuring auto-administration, 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.

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 approved recently for implementation w.e.f. 2023-24 :

- 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.
- WINDS (Weather Information Network and Data System) for Network of Automatic Weather Stations (AWS) & Automatic Rain-Gauges (ARG) for collecting hyper-local weather data at GP & Block level. This will be fed into a National unified network of AWS & ARG with interoperability & sharing of data in coordination with India Meteorological Department (IMD). WINDS will provide data not only for YES-TECH but also for effective drought & disaster management, accurate weather prediction and offering better parametric insurance products.
- CROPIC (Collection of Real-time photos and Observations of Crops) for Geo-tagged photographs for validation of sown Crop with Insured Crop and use of pictorial analytics for Objective Crop Damage Assessment & Crop Yield Estimation.

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. 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 PFMS and accounting system of Insurance Companies to provide timely & transparent processing of all claims.

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.
