

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

LOK SABHA
UNSTARRED QUESTION NO. 348
TO BE ANSWERED ON THE 4TH FEBRUARY, 2020

ASSESSMENT OF CROP INSURANCE CLAIMS

348. SHRI MANOJ KOTAK:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री

be pleased to state:

- (a) whether the Government is going to use technical equipment and satellite image to assess the damage of crops of farmers for Fasal Bima Yojana;
- (b) if so, the details thereof;
- (c) whether it is a fact that there is a provision of payment of interest by the insurance companies on the farmers' claims if there is delay in settlement of the crop claims beyond two months; and
- (d) if so, the details thereof and the details of the interest paid so far, State-wise, especially in Maharashtra?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): Pradhan Mantri Fasal Bima Yojana (PMFBY) provides for use of technology for better implementation of the scheme. Accordingly, National Crop Insurance Portal (NCIP) has been developed for ensuring better administration, co-ordination, transparency, dissemination of information and delivery of services including uploading/obtaining details of individual insured farmers for better monitoring and to ensure transfer of claim amount electronically to the individual farmer's Bank Account. To ensure timely payment of claims, scheme envisages mandatory use of smartphone/CCE-Agri App for real time transfer of data on national crop insurance portal. Farmers' app has also been launched, on which farmers can track their crop insurance application and get all information about it.

Further, the Department of Agriculture, Cooperation and Farmers Welfare, through Mahalanobis National Crop Forecast Centre (MNCFC) had carried out pilot studies for Smart Sampling Technique/Optimization of Crop Cutting Experiments (CCEs) using Remote Sensing/Sattelite data in various States involving 8 agencies/ organizations during Kharif 2018 and Rabi 2018-19 under PMFBY. The review of these pilot studies was carried out by High Level Committee constituted for the purpose.

Accordingly, based on these results and the technologies which were verified during the Pilot studies, the Government rolled out Smart Sampling Technique (CCE location selection using satellite data) and optimization of CCEs, in 96 districts of 9 States, for rice crop, during Kharif, 2019. Around 1 lakh CCEs for Rice crop were conducted, during Kharif 2019, using Smart Sampling Technique.

Pilot studies have been undertaken for estimation of yield at Gram Panchayat level, during Kharif 2019, through 12 agencies, by use of technology (Satellite data, Unmanned Aerial Vehicle (UAV), Artificial Intelligence, Machine Learning, etc.). As soon as statistically sound methodology for yield estimaton through technology is established for the crop, the same may be adopted.

(c) & (d): Yes Sir. A provision for payment of 12% penal interest by concerned insurance company to farmer, if the company failed to settle the claims within stipulated period of two months subject to certain conditions, has been made in the Revised Operational Guidelines of PMFBY.

Government has imposed interest penalty of Rs. 3.30 crore, Rs. 0.09 crore, Rs. 0.51 crore, Rs. 0.15 crore and Rs. 0.16 crore on Agriculture Insurance Company of India Ltd., Cholamandalm-MS General Insurance Company Ltd., ICICI-Lombard General Insurance Company Ltd., New India Assurance Company Ltd. and SBI General Insurance Company Ltd. respectively vide letter dated September 25, 2019. In reply they have submitted their explanations requesting for review. A meeting has been called to discuss the explanations submitted by the insurance companies.

Apart from this, State Governments have been advised to impose penalties on insurance companies themselves. Accordingly, some State governments like Uttar Pradesh, Gujarat and Haryana have also imposed penalty on insurance companies for non-performnce of certain provisions of the scheme and have deducted the penalty from State share of premium subsidy to insurance companies.
