

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

LOK SABHA
UNSTARRED QUESTION NO. 3441
TO BE ANSWERED ON THE 16TH MARCH, 2021

REJECTION OF PMFBY CLAIMS

3441. SHRI V.K. SREEKANDAN:

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

- (a) whether the number of farmers' crop insurance claims that were rejected by insurance companies under the Pradhan Mantri Fasal Bima Yojana (PMFBY) multiplied 10 times in just two years and if so, the details thereof;
- (b) whether nearly 10 lakh such claims had been rejected by the insurance companies in 2019-20;
- (c) if so, the reasons stated by the insurance companies while rejecting such a huge amount of claims;
- (d) whether the reasons stated for rejection of claims were commensurate with the guidelines of PMFBY; and
- (e) if not, the action proposed against such insurance companies?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री

(SHRI NARENDRA SINGH TOMAR)

(a) to (e): Pradhan Mantri Fasal Bima Yojana (PMFBY) provides cover on crop yield losses on an area-based approach basis due to non-preventable risks like drought, dry spells, flood, etc. The scheme also provides provision of farm-level assessment of crop loss arising due to localized calamities and post-harvest losses due to defined perils, which affect the limited areas/plots in notified insurance unit. Claim assessment for farm-level loss intimations is done by a joint loss assessment committee of State Government and concerned insurance companies.

As per scheme provisions, crop loss intimation is required only for the crops damaged due to notified perils for individual farm-level claims. However, admissible claims under area-based approach are paid to all eligible insured farmers in the given area based on shortfall in the yield against the Guaranteed/Threshold yield. Further, even if individual farm-level claims have been rejected, farmers are still eligible for claim payout under area-based approach claims at the end of the season.

Individual farm level claim/crop loss intimations increased three times from 14 lakh crop loss intimations in 2017-18 to over 42 lakh individual claim/crop loss intimations in 2019-20. This increase in intimation of individual level claim intimations can be attributed to various factors such as increase in farmer awareness, ease of claim intimation process, and increase in occurrence of natural calamities etc.

In the past two years, the government has also streamlined the process of crop loss intimation and farmers intimate losses from the comfort of their homes instead of going to nearby point of contact such as bank, agriculture office, etc. Some major reasons for rejection of farm-level claim intimations include area/crop not notified under PMFBY, farmer not enrolled in PMFBY, peril not covered for individual farm level claim, claim not intimated within prescribed timelines, claim intimation not required, etc.
