

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

**LOK SABHA**  
**STARRED QUESTION NO. 201**  
TO BE ANSWERED ON THE 3<sup>rd</sup> AUGUST, 2021

**TIMELY SETTLEMENT UNDER PMFBY**

\*201. SHRIMATI RAKSHA NIKHIL KHADSE:

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

- (a) whether the insurance claims are being paid to the farmers on time after crop damages/failure under the Pradhan Mantri Fasal Bima Yojana (PMFBY);
- (b) whether in many States, including Rajasthan and Maharashtra, the payment of insurance claims for crop failures in 2018-19, 2019-20 and 2020-21 is still pending;
- (c) whether the Government proposes to take steps for payment of all these outstanding claims;
- (d) if so, the details thereof and the time by which the outstanding claims will be fully paid; and
- (e) if not, the reasons therefor?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री

(SHRI NARENDRA SINGH TOMAR)

(a) to (e): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 201 DUE FOR REPLY ON 3<sup>rd</sup> AUGUST, 2021.**

(a) to (e) : Yes Sir. As per provisions of Pradhan Mantri Fasal Bima Yojana (PMFBY), admissible claims are generally paid by the insurance companies within two months of completion of Crop Cutting Experiments (CCEs)/harvesting period and one month of notification for invoking the risks/perils of prevented sowing, mid-season adversity and post harvest losses subject to receipt of total share of premium subsidy from concerned Government within time. However, settlement of claims in some States get delayed due to reasons like delayed transmission of yield data; late release of their share in premium subsidy by some States, yield related disputes between insurance companies and States, non-receipt of account details of some farmers for transfer of claims to the bank account of eligible farmers and National Electronic Fund Transfer (NEFT) related issues, erroneous/incomplete entry of individual farmers data on National Crop Insurance Portal (NCIP), delay in remittance of farmers share of premium/non-remittance of farmers share of premium to concerned insurance company etc.

Details of pending claims for the last three years i.e. 2018-9 to 2020-21 in all implementing States alongwith States of Maharashtra and Rajasthan with reasons for pendency under the scheme are given in **Annexure**.

Non receipt of State share of premium subsidy is the primary reason for delayed settlement of claims. However, some of the companies also raised issues regarding non-receipt of/ sub-standard yield data.

This Department is regularly monitoring the implementation of PMFBY including timely settlement of claims through weekly video conference of stakeholders, one to one meetings with insurance companies/States etc. Further, penalty provisions for late settlement of

claims by insurance companies and late release of funds by State Governments have also been stipulated under the revised/revamped operational guidelines of the scheme. Insurance companies have to pay penal interest @12% per annum to the farmers for the period beyond the stipulated period in the PMFBY Guidelines from the date of receipt of final yield data from the State Government and completion of crop damage survey.

National Crop Insurance Portal (NCIP) – [www.pmfby.gov.in](http://www.pmfby.gov.in) has been developed with the objective to digitize the entire process/activities of the implementation of PMFBY and to ensure better administration, 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 direct transfer of claim amount electronically to the individual farmers Bank Accounts. To ensure timely payment of claims, use of smartphone/CCE-Agri App for real time transfer of yield data on NCIP by the States has also been initiated. Through NCIP and Crop Insurance App, farmers can track their crop insurance application and get all information about it.

To resolve the technical disputes between insurance companies and other stakeholders including States, Technical Advisory Committee (TAC) at Centre level and State Technical Advisory Committees (STAC) at State level have also been constituted under the scheme to facilitate early settlement of claims.

**Annexure**

| <b>Status of Pendency of Claims under PMFBY in Maharashtra and Rajasthan as on 26.07.2021</b> |             |                         |                    |   |   |
|---|-------------|-------------------------|--------------------|---|---|
| <b>(RS. IN CRORE)</b>   |             |                         |                    |   |   |
| <b>State</b>  | <b>Year</b> | <b>Estimated Claims</b> | <b>Paid Claims</b> | <b>Claims Outstanding as per Estimated Claims</b> | <b>Reason for pendency</b>  |
| All Implementing States   | 2018-19     | 29,289.57               | 28,100.16          | 1,189.41  | Majority claims pending due to pending State Subsidy; pending yield data and other reasons such as payment failure in transfer of claims to bank account of farmers |
|   | 2019-20     | 26,484.76               | 25,394.48          | 1,090.28  |   |
|   | 2020-21*    | 6,507.74                | 5,437.69           | 1,070.05  | Majority claims under process; some claims pending due to State subsidy and yield data  |
| Maharashtra   | 2018-19     | 6,069.31                | 6,062.98           | 6.32  | NEFT related issues   |
|   | 2019-20     | 6,732.48                | 6,723.35           | 9.13  | NEFT related issues   |
|   | 2020-21     | 953.58                  | 750.12             | 203.46  | State Subsidy Pending; Yield Data pending for Rabi 2020-21  |
| Rajasthan   | 2018-19     | 3,428.86                | 3,465.86           | 2.78  | Yield Data Clarification  |
|   | 2019-20     | 4,854.79                | 4,947.98           | Nil   |   |
|   | 2020-21     | 2,457.82                | 2,402.11           | 55.70   | NEFT related issues   |

\* Complete/Partial Yield data for 2020-21, especially Rabi 2020-21 pending for few major States such as Assam, Haryana, Karnataka, Madhya Pradesh, Maharashtra, and Odisha.

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