

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

LOK SABHA
UNSTARRED QUESTION NO. 3086
TO BE ANSWERED ON THE 22ND MARCH, 2022

INSURANCE COMPANIES EMPANELLED UNDER CROP INSURANCE SCHEME

3086. SHRI SANJAY KAKA PATIL :

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

(a) the details of the total number of insurance companies empanelled under the Crop Insurance Scheme for the year 2021-22, especially in the State of Maharashtra;

(b) the details of the total amount of premium collected by the empanelled insurance companies under the Crop Insurance Scheme for the year 2021-22;

(c) the details of the total number of farmers provided compensation under the Crop Insurance Scheme as well as the total amount of compensation provided for the year 2021-22, especially in the State of Maharashtra;

(d) the details of the total number of incidences of delay/non-payment of compensation to farmers and the details of the defaulter insurance companies for the year 2021-22, especially in the State of Maharashtra; and

(e) whether the Government has fixed a base compensation level under the Crop Insurance scheme so that all farmers get a guaranteed base amount as compensation to safeguard their interests and if not, the reason thereof?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (d): 19 general insurance companies have been empanelled for implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY) in the country. However, one empanelled company merged with another empanelled insurance company in the year 2021. State Government of Maharashtra has selected six companies namely, Agriculture Insurance Company of India Ltd. (AIC), Bajaj-Allianz, HDFC-ERGO, Iffco-Tokio, Reliance and Bharti-AXA (now merged with ICICI-Lombard) through bidding process for three years from Kharif 2020 to Rabi 2022-23 season for implementation of the scheme in the State.

Details of premium collected from farmers, total premium, claims paid to eligible farmers and number of farmer applications got claims during 2021-22 in the country and in Maharashtra are given in following table :

(Rs. in Crore)

Particulars	Farmer's premium	Claims Paid (for Kharif 2021 season)	No. of farmer applications got claims (in lakh) (for Kharif 2021 season)
Country	3,435.5	4,302.6	74.5
Maharashtra	637.8	2,612.1	42.8

Cut-off date for submission of yield data by State Government to insurance companies for calculation of claims for Rabi 2021-22 season is one month from the conduct of Crop Cutting Experiments i.e. by the end of April.

The admissible claims under the PMFBY are generally paid by the concerned 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 few claims in some States including Maharashtra got delayed due to reasons like delayed transmission of yield data; late release of their share in premium subsidy, 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.

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. 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. State Governments have been advised to calculate the admissible interest, if any and direct the concerned insurance companies to pay to eligible farmers.

(e): The scheme is mainly implemented on 'Area Approach' basis. Admissible claims are worked out and paid directly to the insured farmer's account by the insurance companies based on the yield data, per unit area, furnished to the insurance company by the concerned State Government and claim calculation formula envisaged in the Operational Guidelines of the scheme on receipt of State Government's requisite share in premium subsidy. However, losses due to localized risks of hailstorm, landslide, inundation, cloud burst & natural fire and post-harvest losses due to cyclone, cyclonic/unseasonal rains & hailstorms are calculated on individual insured farm basis. These claims are assessed by a joint committee comprising representatives of State Government and concerned insurance company.
