

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2508**  
TO BE ANSWERED ON THE 10<sup>TH</sup> DECEMBER, 2024

**GRIEVANCES FILED BY FARMERS AGAINST INSURANCE COMPANIES**

2508. SHRI SHREYAS M PATEL:

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

- (a) the total number of grievances filed by farmers against insurance companies under the Pradhan Mantri Fasal Bima Yojana (PMFBY) during the last three years, along with the State-wise details of these grievances;
- (b) the current regulatory framework in place to oversee the actions of insurance companies under PMFBY and to safeguard farmers' rights;
- (c) the measures being taken by the Government to improve the grievance redressal mechanism for farmers facing delays, rejections or harassment by insurance providers;
- (d) whether any penalties have been imposed on insurance companies for non-compliance or delays in claims settlement, if so, the details thereof; and
- (e) the details of steps being taken to ensure transparency and timely disbursement of insurance claims to prevent distress among farmers?

**ANSWER**

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE  
कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) to (c): All the major work like selection insurance model, selection of Insurance Companies through transparent bidding process, assessment of crop yield/crop loss for calculation of admissible claims under Pradhan Mantri Fasal Bima Yojana (PMFBY) are being performed by the concerned State Government or Joint Committee of State Government officials and concerned insurance company. 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/or 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 as per provisions of the scheme.

Since the scheme is implemented by the State Government, therefore, in order to resolve the grievances/complaints including those related to claims of insured farmers, provision of Stratified Grievance Redressal Mechanism viz. District Level Grievance Redressal Committee (DGRC), State Level Grievance Redressal Committee (SGRC) has been made in the Revised Operational Guidelines of the Scheme. These committees have been given the detailed mandate as outlined in the Operational Guidelines for hearing the complaints/ grievances and to dispose them as per the stipulated procedure.

To further improve the grievance redressal mechanism, Krishi Rakshak Portal and Helpline (KRPH) has been developed and launched in January, 2024. A single Pan-India toll free number 14447 has been deployed and linked to the insurance companies database, where farmers can raise their grievances/issues. Timelines to resolve these grievances/issues has also been fixed. Till date 55.49 lakh calls have been received on KRPH. Out of these, 24.96 lakh are grievances from farmers. Rest of the issues were either informative or seeking advisory. Out of the grievances registered, 22.55 lakhs have been disposed (90%) successfully. This has helped the Central and State Governments to monitor the grievances of stakeholders at a unified platform.

Further, out of the 568 complaints/grievances received on Public Grievances (PG) Portal (CPGRAMS) from 01.12.2021 to till date, 552 grievances have been disposed.

(d): A provision has been made in the Revised Operational Guidelines of Pradhan Mantri Fasal Bima Yojana (PMFBY) that 12% interest rate per annum to be paid by the Insurance Company to farmers for delay in settlement claims beyond 10 days of prescribed cut off date for payment of claims provided the yield data/crop loss information and applicable premium subsidy is paid on time by the concerned State Government. Further, it has now been decided to automatically calculate the penalty by default in claim payment by insurance company through Digicclaim module on NCIP w.e.f. Kharif 2024 season.

(e): Government has taken various steps to strengthen implementation of this scheme including reduction in disbursement time of claims, which are as under:

Government has undertaken development of **National Crop Insurance Portal (NCIP)** as a single source of data ensuring 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.

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 Public Finance Management System (PFMS) and accounting system of Insurance Companies to provide timely & transparent processing of all claims.

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. Soybean crop has been added from Kharif 2024 season. Claim payouts in 7 States have been done on basis of YESTECH in Kharif 2023.
- **WINDS (Weather Information Network and Data System)** for setting up of Network of Automatic Weather Stations (AWS) & Automatic Rain-Gauges (ARG) to the tune of 5 times of existing network 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.

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.

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