

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

**LOK SABHA**  
**STARRED QUESTION NO. 250**  
TO BE ANSWERED ON THE 18<sup>TH</sup> MARCH, 2025

**PAYMENT OF INSURANCE CLAIMS UNDER PMFBY**

\*250. SMT. DHANORKAR PRATIBHA SURESH:

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

(a) whether the amount of insurance claims under the Pradhan Mantri Fasal Bima Yojana (PMFBY) is not released on time to the beneficiaries;

(b) if so, the steps proposed by the Government to make timely payment of insurance claims; and

(c) whether the Government proposes to assess the crop loss and settle insurance claims of the farmers within 30 days, if so, the details thereof?

**ANSWER**

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE  
कृषि एवं किसान कल्याण मंत्री (SHRI SHIVRAJ SINGH CHAUHAN)

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

**STATEMENT REFERRED TO PART (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 250 FOR 18<sup>TH</sup> MARCH, 2025 REGARDING PAYMENT OF INSURANCE CLAIMS UNDER PMFBY.**

(a) to (c) : As per provisions of the Pradhan Mantri Fasal Bima Yojana (PMFBY), in case of area approach based/widespread calamity/season end claims, State Government has to furnish/upload the actual and threshold yield data within one month of the final harvest on National Crop Insurance Portal (NCIP). Final Claims are to be worked out on NCIP and paid within 21 days from calculation of claims on NCIP.

Further, in case of localized calamities and post harvest losses where claims are worked out and paid on individual farm level, claims are to be disbursed within thirty days of the State's order / notification invoking the event.

All the major work like selection of insurance model, selection of Insurance Companies through transparent bidding process, enrollment of farmers, assessment of crop yield/crop loss for calculation of admissible claims 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.

Majority of the claims are settled within the stipulated timelines under the Operational Guidelines of the scheme by the insurance companies. However, during the implementation of PMFBY, some complaints were received in the past about non-payment, delayed payment or 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., which were suitably addressed as per provisions of the scheme.

Government has taken various steps to strengthen implementation of this scheme, bring transparency and ensure timely settlement of claims :

- 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 '**Digiclaim 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 w.e.f. Kharif 2024, in case payment is not made timely by Insurance Company, penalty of 12% is auto-calculated and levied through NCIP.
- 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. 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.
- 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 implemented recently w.e.f. 2023-24 under the scheme:

- 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.

- ii. **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 provides data not only for YES-TECH but also for effective drought & disaster management, accurate weather prediction and offering better parametric insurance products.

Department is 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.

Based on the experience gained, views of various stakeholders and with a view to ensure better transparency, accountability, timely payment of claims to the farmers and to make the scheme more farmer friendly, Government has periodically revised the Operational Guidelines of the PMFBY comprehensively to ensure that the eligible benefits under the scheme reach the farmers timely and transparently.

\*\*\*\*\*