

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

LOK SABHA
UNSTARRED QUESTION NO. 4292
TO BE ANSWERED ON THE 19TH AUGUST, 2025

ACCOUNTABILITY OF INSURANCE COMPANIES UNDER PMFBY

4292. SHRI BALYA MAMA SURESH GOPINATH MHATRE:

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

- (a) whether a significant number of farmers received compensation late or have not received compensation, from the insurance companies under the Pradhan Mantri Fasal Bima Yojana (PMFBY) despite suffering crop losses;
- (b) whether an inordinate delay in the disbursement of compensation by the insurance companies to farmers has come to the notice;
- (c) if so, the number of farmers who did not receive compensation or whose claims were rejected in the last three years, State-wise;
- (d) whether the Government has taken any action to hold the insurance companies accountable in these cases; and
- (e) the corrective measures taken by the Government to ensure transparent and timely disbursement of compensation?

ANSWER

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण राज्य मंत्री

(SHRI RAMNATH THAKUR)

(a) to (c) : Pradhan Mantri Fasal Bima Yojana (PMFBY) is mainly implemented on 'Area Approach' basis, where no intimation is required to be made by the farmers or the concerned State Government. Admissible claims are worked out and paid directly to the insured farmer's account by the insurance companies through DigiClaim module on National Crop Insurance Portal (NCIP), 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. Therefore, there is no rejection of the claim by the insurance company in this case.

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. Farmers are required to intimate the loss to the concerned insurance company, State Government, financial institutions/banks, online on National Crop Insurance Portal (NCIP) or PMFBY app etc. Extent of loss and claims are assessed by a joint committee comprising representatives of State Government and concerned insurance company. The insurance companies scrutinise these loss intimations as per provisions of the Operational Guidelines of the scheme and such claims can be rejected by insurance companies if they are in contravention to guidelines.

Majority of the claims are settled within the stipulated timelines under the Operational Guidelines of the scheme i.e within 21 days of the receipt requisite yield data from the concerned State Government, by the insurance companies. However, during the implementation of PMFBY, some complaints/grievances were received in the past about payment of claims which are primarily on account of (a) delay in providing State Government share of subsidy (b) non-payment/delayed payment or under payment of claims on account of incorrect/delayed submission of insurance proposals by banks (c) discrepancy in yield data & consequent disputes between State Government and insurance companies etc. The pending claims on account of these issue are settled after their resolution as per provisions of the scheme. Out of the total claims of Rs. 1.88 lakh crore generated on NCIP till 30.06.2025, Rs. 1.83 lakh crore (97.34%) have already been paid to the farmers. The rest of the claims is due on account of non-receipt of premium subsidy from State Government non payment/delayed payment/under payment due to incorrect proposals by banks and disputes in yield data etc.

State-wise details of number of farmer applications enrolled, claims paid and number of farmers benefitted i.e. who received claims during last three years i.e. from 2022-23 to 2024-25 (upto Kharif 2024) are given in **Annexure**.

(d) & (e): 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 enrolment 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.
- Delinking of Central Government share of premium subsidy from that of State Governments has been implemented so that farmers can get proportionate claims relating to the Central Government share.
- Opening of ESCROW Account by the State Government concerned for deposit of their premium share in advance as per provisions of the scheme has been made mandatory w.e.f. Kharif 2025 season.
- 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 and 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.
- Provision of 12% penalty on delay in payment of claims by insurance company is auto calculated on National Crop Insurance Portal (NCIP).

Annexure

State-wise details of number of farmer applications enrolled, claims paid and number of farmers benefitted i.e. who received claims during last three years i.e. from 2022-23 to 2024-25 (upto Kharif 2024) under PMFBY and RWBCIS (As on 30.06.2025)

State	2022-23			2023-24			2024-25 (upto Kharif 2024)			Total		
	Farmers Applications Insured (In No.)	Paid Claims (In Crs.)	Applications Benefitted (In No.)	Farmers Applications Insured (In No.)	Paid Claims (In Crs.)	Applications Benefitted (In No.)	Applications Benefitted (In No.)	Paid Claims (In Crs.)	Farmers Benefitted (In No.)	Farmers Applications Insured (In No.)	Paid Claims (In Crs.)	Applications Benefitted (In No.)
A & N Islands	171	-	7	187	0.02	86	150	-	39	508	0.02	132
Andhra Pradesh	1,23,87,364	546.73	6,29,229	1,31,29,912	-	-	85,43,555	-	-	3,40,60,831	546.73	6,29,229
Assam	4,89,981	19.98	26,240	7,93,506	58.21	99,561	7,61,951	8.89	20,817	20,45,438	87.07	1,46,618
Chhattisgarh	77,30,456	534.27	15,31,966	81,25,985	588.25	15,00,347	67,56,016	111.45	2,50,598	2,26,12,457	1,233.97	32,82,911
Goa	403	0.00	5	234	0.00	2	216	0.01	64	853	0.01	71
Haryana	14,51,535	2,518.66	7,52,993	1,02,67,729	265.23	25,15,329	94,27,621	262.63	17,24,053	2,11,46,885	3,046.52	49,92,375
Himachal Pradesh	2,67,618	69.06	1,39,516	2,78,055	131.70	1,07,964	1,09,605	0.00	31,257	6,55,278	200.77	2,78,737
Jammu & Kashmir	91,582	6.33	17,903	2,45,757	34.62	73,579	1,47,346	23.25	72,354	4,84,685	64.20	1,63,836
Jharkhand	-	-	-	-	-	-	25,48,512	-	31,825	25,48,512	-	31,825
Karnataka	27,18,915	2,386.06	18,40,873	30,77,232	3,349.62	23,60,145	30,48,823	1,163.81	10,25,637	88,44,970	6,899.50	52,26,655
Kerala	1,46,546	183.01	1,30,053	1,74,102	47.68	28,695	92,743	-	-	4,13,391	230.69	1,58,748
Madhya Pradesh	1,77,32,045	1,049.47	36,88,740	1,77,95,826	776.16	39,43,417	97,17,150	-	32,64,868	4,52,45,021	1,825.63	1,08,97,025
Maharashtra	1,07,33,625	5,390.90	76,44,275	2,41,73,494	9,522.62	1,32,27,119	1,64,14,758	3,588.69	73,92,889	5,13,21,877	18,502.22	2,82,64,283
Manipur	4,066	1.62	3,395	5,073	2.00	4,170	4,619	-	-	13,758	3.62	7,565
Meghalaya	337	0.01	68	38,569	14.04	14,398	47,749	9.49	18,952	86,655	23.54	33,418
Odisha	80,20,747	581.04	17,83,312	1,41,60,653	232.56	11,49,287	1,37,81,469	112.05	7,30,087	3,59,62,869	925.65	36,62,686
Puducherry	38,274	3.55	7,263	42,344	0.92	5,846	8,781	0.52	5,857	89,399	4.99	18,966
Rajasthan	3,90,71,541	4,360.35	1,16,18,304	3,90,16,977	3,062.62	83,11,462	2,15,31,458	0.00	27,20,571	9,96,19,976	7,422.96	2,26,50,337
Sikkim	5,025	-	-	3,104	-	23	489	-	-	8,618	-	23
Tamil Nadu	61,37,961	917.01	19,37,875	54,56,594	759.68	17,00,553	3,15,826	60.37	1,48,721	1,19,10,381	1,737.06	37,87,149
Tripura	3,56,201	2.03	20,515	3,65,378	1.88	10,905	8,231	0.46	3,554	7,29,810	4.36	34,974
Uttar Pradesh	42,83,991	977.14	12,51,998	60,68,754	467.70	11,84,713	50,72,290	279.42	14,41,310	1,54,25,035	1,724.26	38,78,021
Uttarakhand	2,82,068	207.94	1,99,847	2,27,291	347.07	1,71,124	1,28,244	153.47	92,045	6,37,603	708.48	4,63,016
Total	11,19,50,452	19,755.17	3,32,24,377	14,34,46,756	19,662.59	3,64,08,725	9,84,67,602	5,774.51	1,89,75,498	35,38,64,810	45,192.26	8,86,08,600

- Not Implemented/Very low figure
