

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

LOK SABHA
STARRED QUESTION NO. 445
TO BE ANSWERED ON THE 24TH MARCH, 2026

BUDGETARY ALLOCATION FOR PMFBY

*445. DR. KALANIDHI VEERASWAMY:

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

(a) whether the Government has reduced the budgetary allocation for the Pradhan Mantri Fasal Bima Yojana (PMFBY) in the Union Budget 2026–27 as compared to the allocations made in 2024–25 and 2025–26;

(b) if so, the details of Budget Estimates, Revised Estimates and Actual Expenditure under the said Scheme during the last three financial years, year-wise;

(c) the reasons for such reduction despite increasing instances of crop loss due to climate change, extreme weather events, floods, droughts and pest attacks;

(d) whether the Government has assessed the likely impact of reduced allocation on enrolment of farmers, timely settlement of claims and coverage of small and marginal farmers;

(e) the details of claims pending and average time taken for claim settlement during the last three years, State-wise; and

(f) the steps being taken by the Government to ensure adequate financial protection to farmers and to prevent delays in claim disbursement under PMFBY?

ANSWER

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

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

STATEMENT REFERRED TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO. 445 FOR 24TH MARCH, 2026 REGARDING BUDGETARY ALLOCATION FOR PMFBY

(a) to (d): Year-wise details of budgetary provision and fund actually utilized on Central Government share of premium subsidy, Government of India claims liability and other administrative expenses during last three years under PMFBY are given below:

(Rs. in crore)

Year	Budget Estimates	Revised Estimates	Actual Release/Expenditure
2023-24	13,625.00	15,000.00	12,948.50
2024-25	14,600.00	15,864.00	14,772.86
2025-26	12,242.27	12,400.00*	10,089.49 (As on 31.01.2026)
2026-27	12,400.00*	--	--

* Including allocation in Fund for Innovation & Adoption of Technology (FIAT)

There is no reduction in budgetary allocation in 2026-27 compared to the budget estimates of 2025-26.

The Pradhan Mantri Fasal Bima Yojana (PMFBY), introduced in the country from Kharif 2016 season, is demand driven and voluntary for the States and farmers. Allocation and utilization of budget depends upon actuarial premium rates quoted by the insurance companies, coverage of crops, areas and farmers etc.

Due to various improvements in the scheme, high level of competition in bidding from insurance companies has been witnessed in 2023-25 tender cycle, resulting in reduction of the premium rates to 10.2% in 2024-25 as compared to 16.7% in 2021-22. Therefore, the Government of India has been able to cover more number of farmers with less budgetary allocation. The reduced allocation has not led to any adverse impact on enrolment of farmers, timely settlement of claims and coverage of small and marginal farmers. In fact, the number of farmers covered under the scheme was 4.19 Crore in 2024-25 as compared to 2.60 Crore in 2021-22, which is 61.15% higher. The improvements made in the scheme have also led to transparency and early claim settlement. Further, during the last 5 years i.e. 2020-21 to 2024-25, out of a total of 17.08 crore farmers covered, 14.68 crore (86%) are small and marginal farmers.

(e): 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 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) delay and discrepancy in yield data & consequent disputes between State Government and insurance companies (c) non-payment/delayed payment or under payment of claims on account of incorrect/delayed submission of insurance proposals by banks etc. The pending claims on account of these issues are settled after their resolution.

as per provisions of the scheme. State-wise details of pending claims under PMFBY for the last three years, i.e. from 2022-23 to 2024-25 (as on 31.12.2025) has been given at **Annexure**.

(f): 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.
- 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** & 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.
- Tranche based claim settlement has been initiated w.e.f. Rabi 2024-25.

State/UT-wise details of Pending Claims under PMFBY (as on 31.12.2025)

State/UT	Pending Claims (in Rs. Crore)		
	2022-23	2023-24	2024-25
A & N Islands	0.00	-	-
Andhra Pradesh	67.02	2,115.70	858.95
Assam	0.29	1.34	1.24
Chhattisgarh	0.12	0.20	1.06
Goa	-	-	0.00
Haryana	16.93	9.19	14.53
Himachal Pradesh	1.18	3.15	1.21
Jammu & Kashmir	0.12	1.58	0.51
Jharkhand	-	-	27.28
Karnataka	2.47	4.34	59.05
Kerala	2.46	8.25	-
Madhya Pradesh	7.78	7.90	16.57
Maharashtra	37.28	35.02	179.11
Manipur	0.00	0.01	0.15
Meghalaya	0.00	0.16	0.05
Odisha	5.37	2.64	2.54
Puducherry	0.25	0.30	1.06
Rajasthan	21.35	173.57	158.52
Sikkim	-	0.01	-
Tamil Nadu	1.12	2.19	41.01
Tripura	0.05	0.05	0.01
Uttar Pradesh	13.15	10.47	14.90
Uttarakhand	0.45	0.40	47.97
GRAND TOTAL	177.38	2,376.44	1,425.72
