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

LOK SABHA
UNSTARRED QUESTION NO. 1453
TO BE ANSWERED ON THE 28TH JULY, 2026

CROP INSURANCE ASSESSMENT SYSTEM

1453. THIRU DR. S JAGATHRATCHAKAN:

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

(a) whether the Government has taken cognizance of the fact that extreme heat conditions have exposed gaps in the crop insurance system, particularly relating to delayed compensation, inadequate crop-loss coverage and financial difficulties faced by affected farmers;
(b) if so, the details of the regions in Tamil Nadu State affected by heatwaves, water stress, erratic rainfall patterns and climatic conditions reducing agricultural productivity and damaging standing crops;
(c) the details of the programmes introduced for strengthening crop insurance assessment systems, satellite-based monitoring technologies, climate-risk evaluation mechanisms and institutional coordination relating to agricultural losses in the State; and
(d) the progress achieved in improving compensation delivery timelines, transparency in claim settlement procedures and accessibility of insurance coverage for small and marginal farmers in Tamil Nadu?

ANSWER

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

(a): Pradhan Mantri Fasal Bima Yojana (PMFBY) provides for yield based comprehensive risk insurance against crop damage from pre-sowing to post-harvest for crops and area notified by the concerned State Government. The scheme not only safeguards crops of farmers against wide spread yield loss due to non-preventable natural risks/ & extreme climate calamities viz. flood, inundation, landslide, drought, heat waves, hailstorm, cyclone, pests/diseases, natural fire and lightening, storm, typhoon, tempest, hurricane, tornado etc. but also against farm level yield loss due to localized risks (hailstorm, landslide, inundation, cloudburst and natural fire) and post harvest losses due to cyclone, cyclonic/unseasonal rain and hailstorm and prevented sowing.

Whereas weather index based insurance is provided under RWBCIS through scientifically designed term sheets. RWBCIS is generally applicable for horticultural crops and provides insurance protection to the farmers against adverse weather incidence, such as deficit and excess rainfall, high or low temperature, humidity etc., which are deemed to impact crop production adversely. It has the advantage to settle claims within the shortest possible time. The States/UTs are required to notify crops under RWBCIS.

As per the timelines given in Operational Guidelines of the scheme, insurance companies have to settle the claims within 21 days from calculation of claims on National Crop Insurance Portal (NCIP) and receipt of premium subsidy by insurance companies. However, some claims remains pending because 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, unverified bank accounts etc. The pending claims on account of these issue are settled after their resolution as per provisions of the scheme.

(b): As informed by the State Government, in Tamil Nadu, crop loss due to adverse climatic conditions such as heatwaves and water stress have not been reported in recent past. For the current season, State Government has taken the following steps:

- Prepared the district-wise Crop Contingency Plans through the Tamil Nadu Agricultural University (TNAU) based on seasonal weather forecasts with technical support from ICAR–Central Research Institute for Dryland Agriculture (CRIDA) and has been communicated to all districts for implementation.
- Ensured dissemination of daily weather advisories through the Uzhavan Mobile Application besides issuing field-level advisories on water conservation, drought-tolerant varieties, crop diversification, micro-irrigation, seed hardening, moisture conservation practices and enrolment of eligible farmers under PMFBY.
- Identified 19 vulnerable districts based on IMD rainfall assessments and is closely monitoring with district-specific contingency measures, climate-resilient interventions and crop-specific advisories to minimize the impact of heat waves, rainfall variability and other climatic stresses.

Further, the Government has taken cognizance of the challenges posed by extreme weather events, including extreme heat conditions and has strengthened the Pradhan Mantri Fasal Bima Yojana (PMFBY) to ensure climate resilience, enhance preparedness and safeguard farmers against adverse weather conditions.

(c) & (d): The following steps have been taken by the Government to strengthen implementation of the scheme including increase in farmer applications, bring transparency and ensure timely settlement of claims:

(i) : For timely settlement of claims under the scheme:

- Government has undertaken development of National Crop Insurance Portal (NCIP) as a single source of data for subsidy payment, dissemination of information, delivery of services including online enrollment of farmers, uploading/obtaining individual insured famer's details and transfer of claim amount electronically to the individual farmer's Bank Account.

- In order to rigorously monitor claim disbursal 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.

- 12% penalty is also levied from Kharif 2025 on State Government for delay in release of State share of subsidy.

- 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 for bringing financial discipline.

- 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 and usage of remote sensing based yield estimation through YES-TECH have already been taken to improve timely settlement of the claims to farmers.

- **Crop Loss Assessment App (CLAP)**, developed as a digital mobile application to streamline and improve the efficiency of crop loss assessments for loacalised calamities/post harvest losses for individual farms and land parcels under PMFBY. The use of CLAP has been made mandatory for all the States/UTs under the scheme.

(ii) With a view to improve insurance coverage:

- **AIDE (App for Intermediary Enrolment):** A smart-phone App has been designed and rolled out in Kharif 2023 for enrolment of farmers at their door-steps through a large network of Insurance Intermediaries. It offers a completely paper-less and cash-less experience to a farmer.

- The Government has actively supported the awareness activities being carried out by the States, implementing Insurance Companies, financial institutions, and Common Service Centres (CSCs) network to disseminate key features of PMFBY amongst farmers and members of Panchayati Raj Institutions (PRIs).

- Further, a structured awareness campaign 'Crop Insurance Week/Fasal Bima Saptah' has been initiated by the Ministry of Agriculture and Farmers Welfare since Kharif 2021 season onwards to increase the awareness about benefits of the scheme, sensitize the stakeholders and to increase overall enrolment of farmers, with special focus on identified aspirational/tribal districts. Along with this, 'Fasal Bima Pathshalas' are also being organized at village/GP level for knowledge building of farmers on various aspects of scheme implementation.

- Government had also organized a nationwide Doorstep Crop Insurance Policy/receipt Distribution mega drive – 'Meri Policy Mere Haath'. Hard copies of crop insurance policy receipts are distributed to farmers enrolled under PMFBY through special camps at gram Panchayat/village level.

- Apart from this, other activities for awareness generation involve the publicity of key features and benefits of the scheme through advertisements in leading National and local newspapers, airing of audio-visual spots on regional / local channels, distribution of IEC material in local languages, dissemination of SMS through Kisan / National Crop Insurance Portal (NCIP) portal and organisation of online workshops of all stakeholders including farmers, Panchayat Members, and other key stakeholders.

(iii) Technologies for Objective Crop Damage & Loss Assessment and transparency have also been implemented recently w.e.f. 2023-24 under the scheme:

i. **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 database 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.

Coverage details of Small and Marginal farmers, claims reported and claims paid during last five years in Tamil Nadu under the scheme are given in table below:

Years	Enrolled Farmers in No.			Total Reported Claims (All Categories) *[Rs. in Crore]*	Claims Paid *(Rs. in Crore)*		
	Total (All Categories)	Small Farmers	Marginal Farmers		Total (All Categories)	Small Farmers	Marginal Farmers
2021-22	14,84,671	13,17,939	1,27,122	817.24	817.24	704.55	75.62
2022-23	13,32,989	11,84,939	1,12,392	922.31	921.50	776.09	103.47
2023-24	11,41,267	10,13,850	96,649	763.64	762.89	644.10	67.47
2024-25	11,86,540	10,45,476	1,05,790	859.00	856.59	740.56	75.00
2025-26	11,55,713	10,21,051	96,083	268.44	237.26	194.28	29.92
Total	**63,01,180**	**55,83,255**	**5,38,036**	**3,630.63**	**3,595.48**	**3,059.57**	**351.47**

******