

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE
LOK SABHA
UNSTARRED QUESTION NO. 356
TO BE ANSWERED ON THE 30TH NOVEMBER, 2021

PAYMENT OF INSURANCE CLAIMS UNDER PMFBY

356. SHRI RAMESH CHANDRA MAJHI :
SHRI ACHYUTANANDA SAMANTA :

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

(a) whether insurance claims are being paid to farmers on time after crop damage/failure under the Pradhan Mantri Fasal Bima Yojana (PMFBY), if so, the details thereof;

(b) whether in many States, including Odisha, the payment of insurance claims for crop failure in 2018-19, 2019-20 and 2020-21 is still pending, if so the details thereof;

(c) whether the Government proposes to take steps for payment of all these outstanding claims;

(d) if so, the details thereof and the time by which the outstanding claims will be fully paid and if not, the reasons therefor; and

(e) the steps being taken by the Government to ensure that farmers are being compensated properly especially during crop loss in cases of drought or deficient rainfall?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE
कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (e) : The admissible claims under the Pradhan Mantri Fasal Bima Yojana (PMFBY) are generally paid by the concerned insurance companies within two months of completion of Crop Cutting Experiments (CCEs)/harvesting period and one month of notification for invoking the risks/perils of prevented sowing, mid-season adversity and post harvest losses subject to receipt of total share of premium subsidy from concerned Government within time. However, settlement of few claims in some States including Odisha got delayed due to reasons like delayed transmission of yield data; late release of their share in premium subsidy, yield related disputes between insurance companies and States, non-receipt of account details of some farmers for transfer of claims to the bank account of eligible farmers and National Electronic Fund Transfer (NEFT) related issues, erroneous/incomplete entry of individual farmers data on National Crop Insurance Portal (NCIP), delay in remittance of farmers share of premium/non-remittance of farmers share of premium to concerned insurance company etc.

This Department is regularly monitoring the implementation of PMFBY including timely settlement of claims through weekly video conference of stakeholders, one to one meetings with insurance companies/States etc. Further, penalty provisions for late settlement of claims by insurance companies and late release of funds by State Governments have also been stipulated under the revised/revamped operational guidelines of the scheme. Insurance companies have to pay penal interest @12% per annum to the farmers for the period beyond the stipulated period in the PMFBY Guidelines from the date of receipt of final yield data from the State Government and completion of crop damage survey.

Further, this Department is regularly reviewing the schemes in consultation with State Governments and other stakeholders to streamline the process for early settlement of claims and to provide timely and adequate benefits to the eligible farmers under the scheme.

State-wise details of pending claims including Odisha, for the years 2018-19, 2019-20 and 2020-21 are **annexed**.

Annexure

State-Wise Status of Pending Claims under PMFBY for 2018-19, 2019-20 and 2020-21 as on 25.11.2021

(Rs. in crore)

State/UT Name	States/UTs	Reported Claims	Paid Claims	Claims Pending	Reason for Pendency
2018-19	A & N Islands	0.09	0.01	0.08	Payment Failure
	Andhra Pradesh	1,890.05	1,885.76	4.29	Payment Failure
	Gujarat	2,778.08	2,777.89	0.18	State Subsidy Pending
	Haryana	948.01	947.75	0.27	Payment Failure
	Jharkhand	684.94	50.98	633.95	State Subsidy Pending
	Karnataka	2,948.56	2,947.99	0.57	Payment Failure
	Madhya Pradesh	3,777.31	3,777.14	0.17	Payment Failure
	Maharashtra	6,149.46	6,146.19	3.27	Payment Failure
	Telangana	587.35	148.92	438.43	State Subsidy Pending
	West Bengal	535.52	529.85	5.67	Payment Failure; State Subsidy Pending
2018-19 Total		29,341.04	28,254.15	1,086.89	
2019-20	Andhra Pradesh	1,259.01	1,254.03	4.98	Payment Failure
	Assam	21.27	-	21.27	State Subsidy Pending
	Chhattisgarh	1,314.60	1,296.59	18.02	Payment Failure
	Gujarat	369.40	111.67	257.73	State Subsidy Pending
	Haryana	933.08	928.36	4.72	Payment Failure
	Himachal Pradesh	67.54	66.61	0.93	Payment Failure
	Jharkhand	25.46	-	25.46	State Subsidy Pending
	Karnataka	1,572.28	1,349.26	223.02	Payment Failure; Pending clarifications from State Government
	Madhya Pradesh	5,991.92	5,947.35	44.57	Under Process
	Maharashtra	6,757.36	6,748.51	8.85	Payment Failure
	Odisha	1,170.11	1,152.81	17.30	Pending clarifications from State Government
	Puducherry	7.16	6.23	0.93	Payment Failure
	Rajasthan	4,921.91	4,920.18	1.73	Payment Failure
	Tamil Nadu	1,168.60	1,136.46	32.14	State Subsidy Pending
	Telangana	512.78	-	512.78	State Subsidy Pending
Uttar Pradesh	1,110.56	1,086.56	24.01	Payment Failure; Pending clarifications from State Government	
2019-20 Total		27,394.34	26,195.86	1,198.48	
2020-21 (Provisional)	Chhattisgarh	882.09	853.95	28.14	State Subsidy Pending;

					Payment Failure
	Haryana	1,126.01	1,118.64	7.36	State Subsidy Pending; Payment Failure
	Himachal Pradesh	36.22	19.16	17.06	State Subsidy Pending; Payment Failure
	Karnataka	539.67	485.80	53.87	Under Process
	Kerala	103.03	70.02	33.01	State Subsidy Pending
	Maharashtra	1,311.35	940.62	370.73	State Subsidy Pending
	Odisha	550.24	546.00	4.25	Under Process
	Puducherry	16.25	-	16.25	State Subsidy Pending
	Rajasthan	3,610.07	3,449.35	160.73	State Subsidy Pending; Payment Failure
	Tamil Nadu	952.44	565.69	386.75	Under Process; Payment Failure
	Uttar Pradesh	491.12	486.75	4.36	State Subsidy Pending
	Uttarakhand	104.55	99.72	4.84	Payment Failure
2020-21 Total (Provisional)		9,725.24	8,637.89	1,087.35	
Grand Total		66,460.62	63,087.90	3,372.72	

*** Cases where claims are settled have not been reported but are included in year totals**
Note : All admissible claims are being transferred electronically to the bank account of the eligible insured farmers directly or Aadhar Enabled Payment System (AEPS). However, payment failure occur due to error in banking details essential for money transfer such as mismatch in name in bank accounts, IFSC Code, Account number, dormant bank account and death of eligible insured farmer without nomination etc., in transfer of claims amount.
