

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE
RAJYA SABHA
UNSTARRED QUESTION NO-520
TO BE ANSWERED ON 23/07/2021

IMPLEMENTATION OF PMFBY

520 SHRI RAJMANI PATEL:
SHRI SHAKTISINH GOHIL:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) the number of public and private insurance companies which have been empanelled for the implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY) in 2020-21;
- (b) whether certain major private insurance players have not bid for PMFBY during 2021- 22;
- (c) if so, the details thereof along with the reasons therefor; and
- (d) the steps taken by Government to ensure that premiums, assessments of loss and payment of compensation under PMFBY work satisfactorily for all stakeholders

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI NARENDRA SINGH TOMAR)

(a) to (d) : All the 5 Public Sector general insurance companies and 13 Private Sector general insurance companies have been empanelled by the Government of India for implementation of PMFBY during 2020-21 in the country. However, specific implementing insurance company is selected by the concerned State Government from amongst the empanelled insurance companies through a transparent bidding process.

All the empanelled companies may or may not participate in bidding process in each State/each season. In 2020-21 only 9 insurance companies have been selected successfully in the bids for implementation of PMFBY during 2020-21 across various States/UTs and remaining companies have not been awarded the bid due to various reasons such as non participation due to financial considerations and because of not being declared L-1 in the tenders. The private insurance companies which have not participated in bidding process during 2020-21 include ICICI Lombard General Insurance Company Ltd., Cholamandalam MS General Insurance Company, Tata AIG General Insurance Company Ltd., Royal Sundaram General Insurance Company Ltd. and Shriram General Insurance Company Ltd.

Even if any empanelled insurance company discontinues the implementation of PMFBY after accepting the risk, they are bound to assess the crop losses and settle/pay the admissible claims

to the insured farmers who have paid premium as per the rules and regulations of the Insurance Regulatory Development Authority of India (IRDAI).

To increase competition among the insurance companies one new company namely, Go-Digit General Insurance Company has been empanelled increasing the number of total empanelled companies to 19. As per provisions of the scheme, bidded premium rate and selection of insurance companies for implementation of the scheme are decided by the concerned State Governments through competitive bidding process and lowest premium quoting company is selected as L-1. The detailed methodology and formula for calculation of claims/indemnity has been defined in the Operational Guidelines of the Scheme.

National Crop Insurance Portal (NCIP) has been developed for ensuring better administration, co-ordination, transparency, dissemination of information and delivery of services including direct online enrollment of farmers, uploading/obtaining details of individual insured farmers details for better monitoring and to ensure transfer of claim amount electronically to the individual farmers Bank Account. To ensure timely payment of claims, use of smartphone/CCE-Agri App for real time transfer of data on national crop insurance portal. Crop Insurance app has also been launched, on which farmers can enroll themselves under the scheme, track their crop insurance and get all information about it.
