

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

RAJYA SABHA  
UNSTARRED QUESTION NO-1462  
TO BE ANSWERED ON 29/07/2022

**TIMELY COMPENSATION TO FARMERS FOR DAMAGE OF CROPS**

1462 SHRI VIJAY PAL SINGH TOMAR:  
SHRI HARNATH SINGH YADAV:  
SMT. JEBI MATHER HISHAM:

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

- (a) whether due to delay in estimation earlier farmers were not able to get compensation on time for damage to their crops from natural disasters and also the amount of compensation used to be very low in proportion to damage;
- (b) if so, details thereof;
- (c) whether farmers are now able to get compensation on time for the same following the introduction of PMFBY and amount of compensation is also adequate in proportion to damage;
- (d) if so, details thereof; and
- (e) whether any special financial assistance is also provided by Government to farmers in backdrop of destruction caused due to heavy monsoon?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE  
(SHRI NARENDRA SINGH TOMAR)

(a) to (e): Under erstwhile crop insurance schemes due to manual process in yield estimation data reporting, there was substantial delay in settlement of claims. Further, due to cap on premium in erstwhile Modified National Agricultural Insurance Scheme (MNAIS) and Weather Based Crop Insurance Scheme (WBCIS), the sum insured was also reduced which resulted in corresponding reduction in admissible claims of farmers.

Therefore, with a view to provide financial support to stabilize income of the farmers especially in natural calamities like flood, drought etc. hit seasons/years to ensure their continuance in agriculture, Pradhan Mantri Fasal Bima Yojana (PMFBY) has been introduced in the country from 2016-17. The objective of launching the new scheme is to provide a simple and affordable crop insurance product to ensure comprehensive risk cover for crops of farmers against all non-preventable natural risks from pre-sowing to post-harvest, to provide adequate claim amount and timely settlement of claims. To provide adequate insurance coverage, sum insured under the scheme has been equated to Scale of Finance or notional value of the average produce as decided by the concerned State Government. The provision of capping on premium and consequent reduction of sum insured, which was a feature of erstwhile schemes, has also been removed to facilitate farmers to get claim against full sum insured without any reduction.

Based on the experience gained, views of various stakeholders and with a view to ensure better transparency, accountability, timely payment of claims to the farmers and to make the scheme more farmer friendly, Government has comprehensively revised and revamped the Operational Guidelines of the PMFBY with effect from Rabi 2018 and Kharif 2020 respectively to ensure that the eligible benefits under the scheme reach the farmers in time. Timelines for settlement of claims and penalty provisions for delay in settlement of claims have also been incorporated.

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 individual insured farmer's details for better monitoring and to ensure transfer of claim amount electronically to the individual farmer's Bank Account.

Besides above, assistance is also provided to the affected farmers under National Disaster Response Fund (NDRF) and State Disaster Response Fund (SDRF) for relief due to natural calamities.

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