

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

**RAJYA SABHA**  
**UNSTARRED QUESTION NO-3843**  
TO BE ANSWERED ON 04/04/2025

**DISPUTES BETWEEN FARMERS AND INSURANCE COMPANIES REGARDING CLAIM REALIZATIONS**

3843 SMT JEBI MATHER HISHAM :

Will the Minister of Agriculture and Farmers Welfare be pleased to state:

- (a) whether Government has acknowledged the increasing disputes between farmers and insurance companies regarding claim realisations, if so, the details thereof, State/UT-wise;
- (b) the gap between total premiums collected and claims paid, State/UT-wise;
- (c) the current insured cropped area under PMFBY, State/UT-wise and how does it compare to global benchmarks, particularly China and USA;
- (d) whether Government has implemented effective infrastructure for timely reporting and assessing crop damages under the outsourced insurance scheme, if so, the details thereof; and
- (e) whether there is any pending insurance claim for crop loss by farmers, if so, the details thereof, State/UT-wise along with pending amounts?

**ANSWER**

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE  
(SHRI RAMNATH THAKUR)

(a) to (e) : It has been seen, during implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY), there are various types of disputes including yield disputes, which unnecessarily delays the claim settlement. Therefore, detailed provision (No. 19 of Revamped Operational Guidelines) for resolution of such issues has been made in the Revamped Operational Guidelines of the scheme.

Wherever the yield estimates reported at Insurance Unit (IU) level are abnormally low or high vis-à-vis the general crop condition the Insurance Company in consultation with State Govt. can make use of various products (e.g. Satellite based Vegetation Index, Weather parameters, etc.) or other technologies (including statistical test, crop models etc.) to confirm yield estimates. If Insurance Company witnesses any anomaly/deficiency in the actual yield data (partial /consolidated) received from the State Government, the same is required to be brought to the notice of concerned State department within 7 days from date of receipt of yield data with specific observations/remarks under intimation to Government of India and anomaly, if any, may be resolved in next 7 days by the State Level Coordination Committee (SLCC) headed by Additional Chief Secretary/Principal Secretary/Secretary of the concerned department.

The SLCC may refer the case to State Level Technical Advisory Committee (STAC) for dispute resolution. In case the matter stands unresolved even after examination by STAC, it may be escalated to Technical Advisory Committee (TAC) in the Ministry of Agriculture & Farmers Welfare, GOI along with all relevant documents including minutes of meetings/records of discussion and report of the STAC and SLCC. Reference to TAC can be made only in specific conditions as provided for in Operational Guidelines.

Under the provisions, yield disputes were referred by the Karnataka, Gujarat, Odisha (Kharif 2018), Maharashtra, Rajasthan (Kharif 2017 & Kharif 2018), Jammu & Kashmir (for yield calculation methodology for coverage of apple and saffron crop), Haryana (Kharif 2017), Chhatisgarh (Kharif 2017 – paddy/rice issue), Haryana for Cotton (Kharif-19 & 20), Odisha (Kharif-21), Maharashtra (Kharif 2023) to the TAC and the matter was examined and resolved inter-alia by using satellite data, final yield data, weather data and other proxy data/indicators in consultation with Mahalanobis National Crop Forecast Centre (MNCFC).

However, data with anomalies which is not reported within 7 days is treated as accepted by insurance company. Due to the gradual increase in adoption of technology to arrive at the yield at Gram Panchayat level, yield related disputes between States and insurance companies have been reduced significantly.

State-wise details of farmers premium collected and claims paid from 2016-17 to 2023-24 are given in **Annexure-I**. State-wise details of Area insured during 2023-24 under PMFBY is given in **Annexure-II**. State-wise details of claims reported and claims paid during last five years are given in **Annexure-III**.

Area insured in crop insurance (PMFBY) is 606 lakh ha. in 2023-24. As per data available, area insured in China (2018) and USA(2024) was 1,662.3 lakh ha. and 2,201 lakh ha. respectively.

Government has taken various steps to strengthen infrastructure for 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.** This will help in further expediting claims settlement.

- Since the scheme is implemented by the State Government, therefore, in order to resolve the grievances/complaints including those related to claims of insured farmers, provision of Stratified Grievance Redressal Mechanism viz. District Level Grievance Redressal Committee (DGRC), State Level Grievance Redressal Committee (SGRC) has been made in the Revised Operational Guidelines of the Scheme. These committees have been given the detailed mandate as outlined in the Operational Guidelines for hearing the complaints/ grievances and to dispose them as per the stipulated procedure.
- To further improve the grievance redressal mechanism, Krishi Rakshak Portal and Helpline (KRPH) has been developed. A single Pan-India toll free number 14447 has been deployed and linked to the insurance companies database, where farmers can raise their grievances/issues. Timelines to resolve these grievances/issues has also been fixed.
- 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.

Following 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 unified network of AWS & ARG 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.

Department is regularly monitoring the functioning of insurance companies, including timely settlement of claims through weekly video conferences of all stakeholders, one to one meeting as well as National Review Conferences.

## Annexure-I

## State-wise details of farmers premium collected and claims paid from 2016-17 to 2023-24 under PMFBY &amp; RWBCIS (As on 31.01.2025)

State/UT	Farmers Share	Paid Claims
	(Rs. In Crore)	
A & N Islands	0.05	0.23
Andhra Pradesh	788.72	5,395.15
Assam	22.96	637.61
Bihar	383.92	749.37
Chhattisgarh	1,402.25	7,315.47
Goa	0.19	0.14
Gujarat	1,499.42	5,611.55
Haryana	2,065.04	8,819.34
Himachal Pradesh	223.86	456.57
Jammu & Kashmir	55.92	127.66
Jharkhand	75.15	884.79
Karnataka	2,109.76	14,149.40
Kerala	62.04	567.61
Madhya Pradesh	6,125.63	30,199.53
Maharashtra	5,369.75	38,261.54
Manipur	3.23	8.85
Meghalaya	0.84	9.15
Odisha	1,139.01	6,985.53
Puducherry	0.23	40.01
Rajasthan	5,825.36	28,965.87
Sikkim	0.40	0.70
Tamil Nadu	1,227.91	14,769.34
Telangana	696.34	1,937.83
Tripura	3.36	8.04
Uttar Pradesh	2,812.26	5,348.76
Uttarakhand	277.67	880.43
West Bengal	305.51	1,218.52
<b>Total (All India)</b>	<b>32,476.78</b>	<b>1,73,349.02</b>

**Annexure-II.****State-wise details of Area insured during 2023-24 under PMFBY & RWBCIS (As on 31.01.2025)**

<b>State/UT</b>	<b>Area Insured (In Lakh Ha)</b>
A & N Islands	0.001
Andhra Pradesh	41.03
Assam	4.20
Chhattisgarh	24.18
Goa	0.00
Haryana	6.91
Himachal Pradesh	39.41
Jammu & Kashmir	1.25
Karnataka	22.87
Kerala	0.74
Madhya Pradesh	89.27
Maharashtra	160.38
Manipur	0.04
Meghalaya	0.15
Odisha	16.09
Puducherry	0.13
Rajasthan	103.32
Sikkim	0.004
Tamil Nadu	13.90
Tripura	0.90
Uttar Pradesh	25.05
Uttarakhand	55.85
<b>Total (All India)</b>	<b>605.68</b>

## Annexure-III

## State-wise details of claims reported and claims paid during last five years i.e. from 2019-20 to 2023-24(as on 31.01.2025)

State/UT	Total Reported Claims	Total Paid Claims
	(Rs. In Crore)	
A & N Islands	0.12	0.09
Andhra Pradesh	5,552.73	3,710.72
Assam	671.30	631.01
Chhattisgarh	5,769.22	5,764.12
Goa	0.11	0.11
Gujarat	3,399.54	3,268.50
Haryana	7,674.09	7,622.18
Himachal Pradesh	351.76	346.60
Jammu & Kashmir	124.34	117.84
Jharkhand	818.10	806.52
Karnataka	11,346.38	11,198.78
Kerala	519.05	512.89
Madhya Pradesh	22,749.73	22,274.34
Maharashtra	33,259.94	32,628.00
Manipur	6.27	6.22
Meghalaya	9.52	9.10
Odisha	4,816.36	4,732.67
Puducherry	33.98	32.45
Rajasthan	25,284.61	24,805.88
Sikkim	1.10	0.56
Tamil Nadu	9,067.83	9,025.83
Telangana	1,112.67	1,109.80
Tripura	6.93	6.34
Uttar Pradesh	4,467.13	4,393.30
Uttarakhand	818.69	813.51
West Bengal	539.56	535.73
<b>Total (All India)</b>	<b>1,38,401.04</b>	<b>1,34,353.09</b>

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