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

RAJYA SABHA
STARRED QUESTION NO-86
TO BE ANSWERED ON 06/02/2026

DELAY IN DISBURSEMENT OF CROP INSURANCE CLAIM TO SOYABEAN FARMERS

*86. SHRI SANJAY RAUT:

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

(a) the details of pending crop insurance claims of farmers in Maharashtra, particularly in Parbhani district, where claims amounting to about ₹200–225 crore payable to nearly two lakh soybean farmers remain unsettled despite directions issued by the National Technical Advisory Committee;
(b) the reasons for delay in disbursement of the said claims even after rejection of objections raised by the concerned insurance company regarding crop-cutting experiments; and
(c) the steps taken or proposed to ensure time-bound settlement of crop insurance claims and to fix accountability on insurance companies and officials responsible for such delays during 2025–26?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI SHIVRAJ SINGH CHAUHAN)

(a) to (c) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO PART (a) TO (c) OF RAJYA SABHA STARRED QUESTION NO. 86 FOR 06/02/2026 REGARDING DELAY IN DISBURSEMENT OF CROP INSURANCE CLAIM TO SOYABEAN FARMERS

(a) & (b) : During the Kharif 2021 season, the implementing insurance company namely, Reliance General Insurance Co. Ltd. (now known as IndusInd General Insurance Company Ltd.) in Prabhani District of Mahrarashtra under Pradhan Mantri Fasal Bima Yojana (PMFBY) had raised objection to 42 Crop Cutting Experiments (CCEs) of soybean crop in the district. As per provisions of the Operational Guidelines of the Scheme, these objections were reviewed by both the District Level Committee and the State Technical Advisory Committee (STAC). Based on the recommendations of the STAC to discard 8 CCEs, State Government instructed the insurance company to settle claims for the remaining 34 CCEs. However, the insurance company subsequently filed an appeal before the National Level Technical Advisory Committee (NTAC) against the STAC's order as per provisions of the scheme. The NTAC heard the appeal in its meeting held on 22nd August, 2024 and discarded all disputed 34 CCEs and directed the insurance company to settle the claims in accordance with the scheme's provisions.

It may be noted that in Kharif 2021 season under PMFBY, State Government had notified 359 Insurance Units in Parbhani district and 1918 CCEs were conducted by the State Government during the season. Accordingly, the number of disputed CCEs was only 2.2% of all CCEs conducted in the district. As per directions/decisions of NTAC, total claims of Rs.571.07 crore were worked out for Kharif 2021 season for soybean crop in Prabhani district under PMFBY, out of which Rs. 571.01 crore has already been paid to 2.98 lakh farmer applications in the district. The remaining Rs.6.00 lakh is not disbursed due to unverified bank accounts. Further, during the same season in the entire State, out of total calculated claims of Rs. 3660.92 crore, Rs. 3660.86 crore has been disbursed to about 64 lakh farmer applications while Rs. 6 lakh is not disbursed due to unverified bank accounts.

It is also informed that since inception of the scheme in 2016-17, total claims of Rs.45,449.17 crore have been paid to about 624 lakh farmer applications in Maharashtra under the scheme.

(c) : Majority of the claims are settled within the stipulated timelines under the Operational Guidelines of the scheme by the insurance companies. However, during the implementation of PMFBY, some complaints including complaints from elected representatives were received in the past about payment of claims which are primarily on account 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 etc.** The pending claims on account of these issue are settled after their resolution as per provisions of the scheme.

Government has taken various steps to strengthen implementation of this scheme all over India including districts of Maharashtra to 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 famer'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 disbursal process, a dedicated module namely **'Digiclaim Module'** has been operationalized for payment of claims from Kharif 2022 onwards. It involves integration of NCIP with Public Finance Management System (PFMS) and accounting system of Insurance Companies to provide timely & transparent processing of all claims.
- 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.
- As per the Operational Guidelines of PMFBY, in case payment is not made timely by Insurance Company, a penalty of 12% is auto-calculated and levied through National Crop Insurance Portal (NCIP) w.e.f. Kharif 2024.
- Similarly, if State Government delayed its premium subsidy from stipulated time, a penalty of 12% is to be paid by them also.
- Tranche based claims payment has been initiated from 2025-26.
- 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.
- 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).
- 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. 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.

Following technologies for Objective Crop Damage & Loss Assessment and transparency have also been implemented 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.

******