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**STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY  
AND FOOD PROCESSING**

**(2022-2023)**

**SEVENTEENTH LOK SABHA**

**MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
(DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE)**

**'Pradhan Mantri Fasal Bima Yojana - An Evaluation'**

**{Action Taken by the Government on the Observations/  
Recommendations contained in the Twenty-Ninth Report (Seventeenth Lok  
Sabha) of the Standing Committee on Agriculture (2020-21)}**

**FORTY-THIRD REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

**DECEMBER 2022/AGRAHAYANA, 1944 (Saka)**

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Presented to Lok Sabha on 20.12.2022

Laid on the Table of Rajya Sabha on 20.12.2022



**LOK SABHA SECRETARIAT  
NEW DELHI**

**DECEMBER 2022/AGRAHAYANA, 1944 (Saka)**

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**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL  
HUSBANDRY AND FOOD PROCESSING\* (2021-22)**

**Shri P.C. Gaddigoudar- Chairperson**

**MEMBERS**

**LOK SABHA**

2. Shri Afzal Ansari
3. Shri Horen Sing Bey
4. Shri Devendra Singh 'Bhole'
5. Shri A. Ganeshamurthi
6. Shri Kanakmal Katara
7. Shri Abu Taher Khan
8. Shri Mohan Mandavi
9. Shri Kinjarapu Ram Mohan Naidu
10. Shri Devji Mansingram Patel
11. Smt. Shardaben Anilbhai Patel
12. Shri Bheemrao Baswanthrao Patil
13. Shri Shriniwaas Dadasaheb Patil
14. Shri Vinayak Bhaurao Raut
15. Shri Pocha Brahmananda Reddy
16. Shri Rajiv Pratap Rudy
17. Shri Mohammad Sadique
18. Shri Virendra Singh
19. Shri V.K. Sreekandan
20. Shri Mulayam Singh Yadav
21. Shri Ram Kripal Yadav

**RAJYA SABHA**

22. Smt. Ramilaben Becharbhai Bara
23. Shri Kailash Soni
24. Shri Ram Nath Thakur
25. Shri Vaiko
26. Shri Harnath Singh Yadav
27. VACANT@
28. VACANT@
29. VACANT@
30. VACANT
31. VACANT

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\* Standing Committee on Agriculture renamed as Standing Committee on Agriculture, Animal Husbandry and Food Processing *vide* Para No. 3293, Bulletin Part-II, dated 23.11.2021.

@ Shri Partap Singh Bajwa, MP Rajya Sabha ceased to be a Member of the Committee *w.e.f.* 21.03.2022 due to resignation from the Membership of Rajya Sabha *w.e.f.* 21.03.2022; Sardar Sukhdev Singh Dhindsa ceased to be a Member of the Committee *w.e.f.* 09.04.2022 due to his retirement from Rajya Sabha *w.e.f.* 09.04.2022 and Shri Surendra Singh Nagar, ceased to be a Member of the Committee *w.e.f.* 04.07.2022 due to his retirement from Rajya Sabha *w.e.f.* 04.07.2022

## **SECRETARIAT**

1. Shri Shiv Kumar - Additional Secretary
2. Shri Sundar Prasad Das - Director
3. Shri Prem Ranjan - Deputy Secretary

**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL  
HUSBANDRY AND FOOD PROCESSING (2022-23)**

**Shri P.C. Gaddigoudar- Chairperson**

**MEMBERS**

**LOK SABHA**

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3. Shri Horen Sing Bey
4. Shri A. Ganeshamurthi
5. Shri Kanakmal Katara
6. Shri Abu Taher Khan
7. Shri Ram Mohan Naidu Kinjarapu
8. Shri Mohan Mandavi
9. Shri Devji Mansingram Patel
10. Smt. Sharda Anilkumar Patel
11. Shri Bheemrao Baswanthrao Patil
12. Shri Shrinivas Dadasaheb Patil
13. Shri Vinayak Bhaurao Raut
14. Shri Pocha Brahmananda Reddy
15. Shri Rajiv Pratap Rudy
16. Mohammad Sadique
17. Shri Devendra Singh *alias* Bhole Singh
18. Shri Virendra Singh
19. Shri V.K. Sreekandan
20. Shri Ram Kripal Yadav
21. *VACANT\**

**RAJYA SABHA**

22. Smt. Ramilaben Becharbhai Bara
23. Shri Masthan Rao Beeda
24. Dr. Anil Sukhdeorao Bonde
25. Shri S. Kalyanasundaram
26. Shri Surendra Singh Nagar
27. Shri Kailash Soni
28. Shri Randeep Singh Surjewala
29. Shri Ram Nath Thakur
30. Shri Vaiko
31. Shri Harnath Singh Yadav

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\* *Vacant w.e.f. 10.10.2022 due to demise of Shri Mulayam Singh Yadav on 10.10.2022 vide Bulletin- Part II, Para No. 5316 dated 14.10.2022.*

## **SECRETARIAT**

1. Shri Shiv Kumar - Additional Secretary
2. Shri Naval K. Verma - Director
3. Shri Uttam Chand Bharadwaj - Additional Director
4. Shri Prem Ranjan - Deputy Secretary



## **INTRODUCTION**

I, the Chairperson, Standing Committee on Agriculture, Animal Husbandry and Food Processing (2022-23), having been authorized by the Committee to submit the Report on their behalf, present this Forty-third Report on Action-taken by the Government on the Observations/Recommendations contained in the Twenty-Ninth Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture (2020-21) on the Subject 'Pradhan Mantri Fasal Bima Yojana - An Evaluation' pertaining to the Ministry of Agriculture and Farmers Welfare (Department of Agriculture and Farmers Welfare).

2. The Twenty-Ninth Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture (2020-21) on the Subject 'Pradhan Mantri Fasal Bima Yojana - An Evaluation' pertaining to the Ministry of Agriculture and Farmers Welfare (Department of Agriculture and Farmers Welfare) was presented to Lok Sabha and laid on the Table of Rajya Sabha on 10 August, 2021. The Action Taken Notes on the Report were received on 24.01.2022.

3. The Report was considered and adopted by the Committee at their Sitting held on 15.11.2022.

4. An Analysis of the action taken by the Government on the Observations/Recommendations contained in the Twenty-Ninth Report (Seventeenth Lok Sabha) of the Committee is given in **Appendix**.

**NEW DELHI;**  
**08 August, 2022**  
**17 Shrawana, 1944(Saka)**

**P.C. GADDIGUDAR**  
***Chairperson,***  
***Standing Committee on Agriculture,***  
***Animal Husbandry and Food Processing***

## **CHAPTER - I**

### **R E P O R T**

This Report of the Standing Committee on Agriculture, Animal Husbandry and Food Processing deals with the Action Taken by the Government on the Observations/Recommendations contained in the Twenty Ninth Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture (2020-2021) on the Subject 'Pradhan Mantri Fasal Bima Yojana - An Evaluation' pertaining to the Ministry of Agriculture and Farmers Welfare (Department of Agriculture and Farmers Welfare) which was presented to Lok Sabha and laid on the Table of Rajya Sabha on 10.08.2021.

1.2 The Ministry of Agriculture and Farmers Welfare (Department of Agriculture and Farmers Welfare) has furnished Action Taken Replies in respect of all the 14 Observations/Recommendations contained in the Report. These Replies have been categorized as under:

(i) Observations/Recommendations that have been accepted by the Government:

Recommendation Nos. 1, 3, 4, 6, 10, 11, 12 and 14

**Total - 08  
Chapter- II**

(ii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies:

Recommendation No. 13

**Total - 01  
Chapter- III**

(iii) Observations/Recommendations in respect of which Replies of the Government have not been accepted by the Committee:

Recommendation Nos. 5, 7, 8 & 9

**Total- 04  
Chapter- IV**

(iv) Observations/Recommendations in respect of which final replies of the Government are still awaited:

Recommendation No. 2

**Total- 01  
Chapter- V**

**1.3 The Committee trust that utmost importance would be given to implementation of the Observations / Recommendations accepted by the Government. In cases where it is not possible for the Department to implement the Recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons for non-implementation. The Committee desire that further Action-taken Notes on the Observations / Recommendations contained in Chapter-I and Final Action-taken Replies to the Recommendations contained in Chapter-V of this Report be furnished to them at an early date.**

1.4 The Committee will now deal with the Action-taken by the Government on some of the Recommendations in the succeeding paragraphs.

**A. Performance Evaluation of Insurance Companies  
Recommendation (Serial No.5)**

1.5 The Committee had observed/ recommended:-

"The Committee note that under the Operational Guidelines of PMFBY there is provision of Performance Evaluation of Insurance Companies based on various counts like withdrawal of bids after being L-1; enrolment of Loanee and Non-loanee farmers; settlement of claims within prescribed period; district offices & human resources; bidding participation; preparation of brochures etc.; training, workshop etc.; CCE Co-observance; localized loss/post-harvest claims etc. The Committee have been informed that the Department is in the process of performance evaluation of the Empanelled Insurance Companies. In this regard, after completion of the respective Seasons information in the defined format is being collected for evaluation of the performance of the ICs. It has also been informed that few shortcomings especially with respect to deployment of manpower/infrastructure at ground level and delay in payment of claims has been noticed and necessary clarification/action has been initiated. The Committee find it strange that inspite of provision of performance evaluation of ICs, the Department failed to provide specific details of the evaluation done since the inception of this Scheme. The Committee desire the Department to prepare a time-frame and strictly adhere to the timelines for performance evaluation of

Insurance Companies on regular basis and apprise the Committee of action taken in this regard."

1.6 In its Action-taken Reply, the Department has stated:-

"As per provisions of revamped Operational Guidelines of the Scheme, IC is to be closely monitored by the concerned Nodal Department of the State Government at the end of the completion of each 1 year interval comprising of atleast two crop seasons i.e. Kharif and Rabi through ascertaining the company's skills, commitment and efficiencies for providing cost effective and efficient insurance services to farmers. For the purpose, a detailed performance evaluation matrix containing key performance indicators with assigned weightage has been worked out and is as given in Annexure –IV of the Operational Guidelines. The base data to be used for the evaluation may be extracted from NCIP. The Nodal department has to share their evaluation report with respective Insurance Company by for their comments and confirmation. Each Insurance Company has to be given enough opportunity to present their views and substantiate their observations with valid data/proofs. Nodal Department shall evaluate such additional data/proofs submitted by Insurance Company and accordingly review their evaluation report and submit to Ministry of Agriculture & Farmers Welfare.

Once the Performance Evaluation report has been accepted and finalized after validation by the Central Government MoA&FW, the corresponding actions is to be taken by the Ministry along with similar actions by the Nodal Department of the state.

No report for the year 2020-21 has been received in this regarding from any of the State. Department of Agriculture & Farmers Welfare is writing to State to submit the evaluation report for further necessary action

However, under revised operational guidelines show-cause notices were issued to some companies for non-participating in bidding process and most of these companies have assured to continue participation in bidding in coming years."

1.7 Taking note of the fact that Department had failed to provide specific details of the performance evaluation of Insurance Companies (ICs) done since the inception of the Pradhan Mantri Fasal Bima Yojana (PMFBY) inspite of the provision for the same under the Operational Guidelines of the Scheme, the Committee had desired the Department to prepare a time-frame and strictly adhere to the timelines for performance evaluation of Insurance Companies on regular basis. The Department in its Action-taken Replies has submitted about the provisions under the Operational Guidelines of the Scheme regarding performance evaluation of Insurance Companies and procedures to be adopted for the same. However, the Department has chosen to remain silent on the issue of whether performance evaluation of ICs has been done and timelines for the same being adhered to since inception of the Scheme. The Department has merely stated that it is writing to States to submit the evaluation report for further necessary action. Further, the Department has stated that under Revised Operational Guidelines show-cause notices were issued to some Companies for non-participating in bidding process and most of these Companies have assured to continue participation in bidding in coming years.

The Committee take the attitude of the Department in submitting pointed reply to their recommendation very seriously and reiterate their earlier recommendation and desire the Department to prepare a time-frame and strictly adhere to the timelines for performance evaluation of Insurance Companies on regular basis.

**B. Coverage of farmers  
Recommendation (Serial No. 7)**

1.8 The Committee had observed/ recommended:-

"The Committee are happy to note that the Government has made the Scheme optional for all the farmers (Loanee/Non-Loanee) from Kharif 2020 . The Non-Loanee farmers desirous of availing insurance under PMFBY for any Notified Crop in any Notified Insurance Unit may approach the nearest Bank-Branch/PACS/Authorized Channel Partner/ CSC/Insurance Intermediary of Insurance Company or directly fill-up the Online Application Form on the NCIP within cutoff date and simultaneously upload/ submit the requisite documents and

applicable premium to concerned Agency. Whereas, the Existing Loanee farmers who do not want to get covered under the Scheme have the option of opting-out from the Scheme by submitting requisite declaration to loan sanctioning bank branches any time during the year but at least seven days prior to the cut-off date for enrolment of farmers for the respective Season. All those Loanee farmers who do not submit the declaration would be essentially covered. The Committee are of the considered view that though the Loanee farmers can opt out of the Scheme by submitting a declaration form but most of the farmers are ignorant about this provision and the amount gets mandatorily deducted from their account. The Committee, therefore, recommend the Department to change this provision and provide that only those Loanee farmers who want to avail the Scheme be required to fill the requisite form for deduction. There should be no compulsory deduction from the account of Loanee farmers. Also, the Committee are of the opinion that a mechanism be made available to the farmers covered to get the step-wise updates about their registration, deduction of premium, etc. through SMS on their Registered Mobile Phones to keep them informed about each stage. The Committee be informed about the action taken in this regard."

1.9 In its Action-taken Reply, the Department has stated:-

"The abovesaid provision has been made in view of administrative challenge specially during COVID-19 pandemic situation. Intensive Information, Education and Communication (IEC) activities including publicity and awareness campaigns are being organized through different medium to make the farmers aware about this provision. Quick Response (QR) Coded acknowledgement receipts having details of insured crops, area, sum insured, premium collected, subsidy amount with brief features of the Scheme and contact details of Insurance Companies/Grievance Redressal Officer etc. are provided on the spot to the farmers enrolled through Common Service Centers (CSCs) or directly online through National Crop Insurance Portal (NCIP) – [www.pmfby.gov.in](http://www.pmfby.gov.in). Acknowledgement Receipt in pdf format is provided to the banks on their log in page for onward delivery to the farmers enrolled through banks. In addition, Acknowledgement Receipt in the form of inland letter is also posted by the Insurance Companies to Loanee farmers under the Scheme. Further, farmers

are also informed by SMSs through Kisan Portal/National Crop Insurance Portal (NCIP). Insured farmers can also track the status of their application on NCIP and mobile based Crop Insurance App."

**1.10 The Committee in their recommendation had desired the Department to change the provision under Pradhan Mantri Fasal Bima Yojana (PMFBY) which requires the existing Loanee Farmers, who do not want to get covered under the Scheme, to submit the requisite declaration to loan sanctioning Bank Branches any time during the year but at least seven days prior to the cut-off date for enrolment of farmers for the respective season and all those Loanee Farmers who do not submit the declaration would be essentially covered under the Scheme; and provide that only those Loanee Farmers who want to avail the Scheme be required to fill the requisite form for deduction and there should be no compulsory deduction from the account of Loanee farmers in view of the fact that Government has made the Scheme optional for all the farmers (Loanee/Non-Loanee) from Kharif 2020. The Committee had desired for a mechanism to be made available to farmers covered to get the step-wise updates about their registration, deduction of premium, etc. through SMS on their Registered Mobile Phones to keep them informed about each stage. The Department in its Action-taken Replies has submitted about the various steps taken to make the farmers aware about this provision and also about the mechanism available and functional under the Scheme to inform and update the farmers covered about their registration, deductions of premium etc.. The Department, however, remained conspicuously silent on the issue of changing the provision which requires Loanee farmers to submit the requisite declaration to loan sanctioning Bank Branches if they do not want to get covered under the Scheme. The Committee find the silence of the Department on the issue of changing the provision quite disturbing and it also reflects poorly on the functioning of the Department. The Committee, while deploring the casual manner in which the Department has replied, reiterate to the Department to change the provision without any further delay and provide that only those Loanee farmers who want to avail the Scheme be required to fill the requisite form for deduction so that there would be no compulsory deduction from the account of Loanee farmers.**

**C. Delay in Settlement of Claims  
Recommendation (Serial No.8)**

1.11 The Committee had observed/ recommended:-

"The Committee note that one of the major impediments in the successful implementation of PMFBY is the delay in the settlement of claims. The Committee have been informed that the delays in settlement of claims are mainly due to reasons like delayed transmission of yield data; late release of their share in premium subsidy and/or yield data by some States, yield related disputes between Insurance Companies and States, non-receipt of account details of some farmers for transfer of claims and National Electronic Fund Transfer (NEFT) related issues, etc. Moreover, there is provision of penalties @ 12% interest rate per annum to be paid by the Insurance Company to farmers for delay in settlement of claims beyond 10 days of prescribed cut off date for payment of claims. Whereas, the State Govt. have to pay 12% interest rate for delay in release of State share of Subsidy beyond three months of prescribed cut off date/submission of requisition by Insurance Companies. However, the Department is regularly monitoring the implementation of PMFBY including timely settlement of claims. The Committee are not convinced with the reasons cited for the delay by the Department and are of the view that whatever be the reasons for delay in settlement of claims, it is the farmers of the country who ultimately suffer. The farmers avail the insurance Scheme under PMFBY with an expectation that it will help in mitigation of loss in time of distress. But delay in settlement of claims defeats the very purpose of the Scheme. The Committee feel that delay in settlement of claims is not acceptable in any way and therefore, strongly recommend the Department to make the Scheme more technology driven and ensure that all the Institutional Mechanism works in tandem so that registration of farmers, conducting of CCEs, settlement of claims, etc becomes hassle free and farmer-friendly. In the absence of any time-frame within which the claims are to be settled by the Insurance Companies (ICs) the farmers are left at their mercy and the lengthy Court Procedures add to their miseries. The Committee, therefore, recommend that a timeline be fixed for ICs to settle their claims and in case of non-adherence to the timelines the Insurance



Companies be penalized. The Committee further recommend that when the reason for delay is non-payment of Subsidy by the State, the premium paid by the farmers be returned along with interest within a fixed time frame. The Committee would like to be apprised of the holistic measures worked out by the Department in this regard."

1.12 In its Action-taken Reply, the Department has stated:-

"As per timelines already given in the Operational Guidelines of Pradhan Mantri Fasal Bima Yojana (PMFBY), the admissible claims are normally 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 timely receipt of State share of premium subsidy from concerned State Government. However, settlement of claims in some States are delayed due to following reasons –

- Delay in release of State Share of Subsidy by concerned States
- Delay in sharing of yield data by States to Insurance Companies for Computation of Claims
- Other reasons including payment failure due to NEFT rejections
- Claims under process

State wise details of claims (*From Kharif 2016 to Rabi 2020-21*) pending due to delay in release of State Share of Subsidy is presented below –

₹ Crore

State	State Subsidy Pending	Claims pending due to State Subsidy
Maharashtra	1,291.6	694.6
Tamil Nadu	914.2	115.0
Gujarat	859.5	258.8
Telangana	468.5	951.2
Jharkhand	362.5	659.4
Others	705.56	329.1
<b>Total</b>	<b>4601.86</b>	<b>3008.1</b>

As of 27.12.2021

Following Provisions have been made to ensure timely release of State Share of Premium Subsidy and submission of Yield data/crop loss assessment report by States for computation of claims at the earliest :

- Timeline for timely release of State Share of Premium Subsidy and submission of Yield data/crop loss assessment report by States for computation of claims:
- Penalty provision for delay in release of State share of Subsidy @12% per annum. Provision to not allow the States to implement the Schemes in case of delay in release of subsidy beyond specified period i.e. end of March for Kharif season enrolment and October for Rabi season.
- Settlement of claims on arriving Technology based yield in case of delay in providing yield data by States
- Payment of Penalty @12% for delay in settlement of claims by Insurance Companies after one months of receipt of Yield data.
- Leveraging of Technology and financial support to the States for its adoption
- Crop Insurance Portal for end to end administration of Schemes by integrating all stakeholders and activities in one ICT platform.
- Real time transfer of data of Crop Cutting Experiments (CCEs) through CCE-Agri App on Portal. Incentivize the States to transfer of CCEs data using smartphone."

**1.13 In order to mitigate the suffering of the farmers due to delay in the settlement of claims, the Committee had recommended the Department to make the Pradhan Mantri Fasal Bima Yojana (PMFBY) more technology driven and ensure that all the Institutional Mechanism works in tandem so that registration of farmers, conducting of Crop Cutting Experiments (CCEs), settlement of claims, etc becomes hassle free and farmer friendly. The Committee had also recommended that a timeline be fixed for Insurance Companies (ICs) to settle their claims and in case of non-adherence to the timelines the Insurance Companies be penalized. The Committee had further recommended that when the reason for delay is non-payment of subsidy by the State, the premium paid by farmers be returned along with interest within a fixed time frame. The Department in its Action-taken Replies has stated that timelines for settlement of claims are already given in the Operational Guidelines of PMFBY. However, settlement of claims in some States are delayed due to various reasons such as - Delay in release of State Share of Subsidy by concerned States; Delay in sharing of yield**

data by States to Insurance Companies for Computation of Claims; payment failure due to National Electronic Fund Transfer (NEFT) rejections; and Claims under process. The Department has also stated about the provisions made to ensure timely release of State share of premium subsidy and submission of Yield Data/Crop Loss Assessment report by States for computation of claims at the earliest, to which the Committee are already aware of. The Committee, however, are perturbed to note that the Department has not stated anything on the recommendation that when the reason for delay is non-payment of subsidy by the State, the premium paid by farmers be returned alongwith interest within a fixed time. The Committee, therefore, reiterate their earlier recommendation that when the reason for delay is non-payment of subsidy by the State, the premium paid by farmers be returned along with interest within a fixed time frame. The Committee also desire the Department to furnish a clear and categorical reply to the recommendations of the Committee.

**D. Grievances Redressal Committees  
Recommendation (Serial No. 9)**

1.14 The Committee had observed/ recommended:-

"The Committee note that a 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 w.e.f. Rabi 2018-19 Season for the redressal of grievances of Farmers, Banks, Insurance Companies, District Authority/Department and it has been further strengthened in Revamped Operational Guidelines. Accordingly, 15 States/Union Territories have notified both District and State Level Grievance Redressal Committees in their respective States. However, certain States like Tamil Nadu, Maharashtra and Rajasthan have formulated Taluka Level GRCs also in addition to SGRC and DGRC to strengthen the grievance redressal system for fast and speedy disposal of grievances at grassroots level. The Committee further note that the DGRC is headed by District Magistrate/Collector and representatives of Farmers, Lead District Manager (LDM)/Banks, District Development Manager (DDM), NABARD, Insurance Company and concerned District Authority/ Department (i.e.

Agriculture/ Horticulture/ Cooperative/ Revenue/ Agricultural Statistics, etc.) are appointed as Members. The DGRC may also invite subject specialists/experts from University/IMD/Commodity Boards/Research Institutions, SRSAC, etc if deemed necessary. The Committee, therefore, recommend the Department to ensure formulations of Grievances Redressal Committees at different levels by all the remaining States/UTs in compliance with the clauses of Operational Guidelines of Scheme on priority so as to resolve farmers grievances regarding rejections of their insurance claims, delay in payment etc. The Committee further recommend the Department to nominate local public representatives (MP(s)/MLA(s) etc.) in the District Level Grievance Redressal Committee (DGRC) in order to ensure accountability of concerned stakeholders and enhance the acceptability of the Scheme amongst the farmers."

1.15 In its Action-taken Reply, the Department has stated:-

"Different steps have been taken up by Central & State Governments to increase the awareness about the Stratified Grievance Redressal Mechanism adopted by PMFBY amongst the farmers and other stakeholders. Accordingly, many States and UTs have issued Notifications on the constitution of the Grievance Redressal Committees clearly depicting the nature, roles and responsibilities of the functionaries entrusted in the Grievance Redressal Committees specifying the timelines for disposal of Grievances. Nearly 21 States/UTs have constituted and notified Grievance Redressal Committees at State and District levels. Remaining implementing States are also been advised through various channels to comply the provisions of Operational Guidelines in this regard. Status of constitution of GRCs by States/UTs is given below :

<b>Sl. No:</b>	<b>Name of the State / UT</b>	<b>SGRC</b>	<b>DGRC</b>
1.	Andhra Pradesh	YES	YES
2.	Andaman & Nicobar Islands	NO	NO
3.	Arunachal Pradesh	Not implementing the Scheme	
4.	Assam	YES	YES
5.	Bihar	Not implementing the Scheme	
6.	Chandigarh	Not implementing the Scheme	

7.	Chattisgarh	YES	YES
8.	Dadra Nagar Haveli & Daman Diu	Not implementing the Scheme	
9.	Delhi	Not implementing the Scheme	
10.	Goa	YES	NO
11.	Gujarat	YES	YES
12.	Haryana	YES	YES
13.	Himachal Pradesh	YES	Few Districts have constituted
14.	Jammu & Kashmir	NO	NO
15.	Jharkhand	YES	YES
16.	Karnataka	YES	YES
17.	Kerala	YES	NO
18.	Ladakh	Not implementing the Scheme	
19.	Lakshadweep	Not implementing the Scheme	
20.	Madhya Pradesh	YES	YES
21.	Maharashtra	YES	YES
22.	Manipur	NO	NO
23.	Meghalaya	YES	YES
24.	Mizoram	NO	NO
25.	Nagaland	Not implementing the Scheme	
26.	Odisha	YES	YES
27.	Punjab	Not implementing the Scheme	
28.	Puducherry	NO	YES
29.	Rajasthan	YES	YES
30.	Sikkim	NO	NO
31.	Tamil Nadu	YES	YES
32.	Telangana	YES	YES
33.	Tripura	YES	YES
34.	Uttarakhand	YES	YES
35.	Uttar Pradesh	YES	YES
36.	West Bengal	Not implementing the Scheme	

As per reports received from the States/UTs, State-wise details of number of complaints/ Grievances redressed and pending for redressal are given in following table:

<b>Sl. No:</b>	<b>Name of the State / UT</b>	<b>Number of complaints which have been resolved by the Committees in the current year</b>	<b>Number of complaints pending in State Level Grievance Redressal Committee</b>
1.	Andhra Pradesh	Nil	Nil
2.	Assam	Nil	Nil
3.	Chattisgarh	10	08
4.	Goa	Nil	Nil
5.	Haryana	37454	5522
6.	Himachal Pradesh	Nil	Nil
7.	Karnataka	Nil	Nil
8.	Kerala	Nil	Nil
9.	Madhya Pradesh	Exact number not given	4
10.	Maharashtra	1	1
11.	Meghalaya	Nil	Nil
12.	Odisha	78	10
13.	Puducherry	Nil	Nil
14.	Rajasthan	Nil	Nil
15.	Tamil Nadu	1	Nil
16.	Telangana	Nil	Nil
17.	Tripura	Nil	Nil
18.	Uttarakhand	Nil	Nil
19.	Uttar Pradesh	Nil	Nil

The Notification on the GRCs is published through electronic and print media and circulated and displayed in vicinity for the information of the farmers and other stakeholders. Copies of GRC Notification are displayed in the Notice

Boards of implementing Departments, Banks, Panchayati Raj Institutions, Common Service Centres and Insurance Companies as well. It is observed that the GRCs in most of the bigger States implementing PMFBY are functional and has a definite, customized channel for the receipt and disposal of the grievances as per the OGs of PMFBY. The representatives of the farmers have already been included in the GRCs.

State Governments have been asked to maintain record data/record on type of grievances resolved by these committees.

Besides the regular monitoring of implementation of PMFBY by District Level Monitoring Committee (DLMC) under the Chairmanship of District Collector, the Scheme is also reviewed in the meetings of DISHA. State Government has been advised to present the progress/report of Grievance Redressal Committees (i.e. both District and Block level) in DISHA."

**1.16 The Committee had recommended the Department to ensure formulation of Grievances Redressal Committees at different levels by all the remaining States/Union territories in compliance with the clauses of Operational Guidelines of Scheme on priority so as to resolve farmers grievances regarding rejections of their insurance claims, delay in payment etc.. The Committee had further recommended the Department to nominate local representatives (MP(s)/MLA(s) etc.) in the District Level Grievance Redressal Committee (DGRC) in order to ensure accountability of concerned stakeholders and enhance the acceptability of the Scheme amongst the farmers. The Department in its Action-taken Replies has submitted that different steps have been taken up by Central & State Governments to increase the awareness about the Stratified Grievance Redressal Mechanism adopted by PMFBY amongst the farmers and other stakeholders. Nearly 21 States/Union territories have constituted and notified Grievance Redressal Committees at State and District levels. Remaining implementing States are also been advised through various channels to comply the provisions of Operational Guidelines in this regard. The Department has also furnished information regarding status of constitution of GRCs by States/ Union territories and State-wise details of number of complaints/grievances redressed and pending for redressal. The Department has further stated that in addition to**

regular monitoring of implementation of PMFBY by District Level Monitoring Committee (DLMC) under the Chairmanship of District Collector, the Scheme is also reviewed in the meetings of District Development Coordination and Monitoring Committees (DISHA). State Government has been advised to present the progress/report of Grievance Redressal Committees (i.e. both District and Block level) in DISHA. However, the Committee note that the Department is silent on nominating local public representatives (MP(s)/MLA(s) etc.) in the District Level Grievance Redressal Committee (DGRC). The Committee while appreciating the Department for taking various steps to resolve the grievances of the farmers, reiterate their earlier recommendation to the Department to nominate local public representatives (MP(s)/MLA(s) etc.) in the District Level Grievance Redressal Committee (DGRC) in order to ensure accountability of concerned stakeholders and enhance the acceptability of the Scheme amongst the farmers.



**CHAPTER - II**  
**OBSERVATIONS/RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE**  
**GOVERNMENT**

**Provisions under the Revamped Guidelines**  
**Recommendation Serial No. 1**

The Committee note that the Pradhan Mantri Fasal Bima Yojana (PMFBY) was launched in April, 2016 to provide a simple and affordable Crops Insurance Product to ensure comprehensive risk cover for crops to farmers against all non-preventable natural risks from Pre-sowing to Post-harvest and to provide adequate claim amount. To make the Scheme effective, a detailed set of Operational Guidelines (OGs) were issued which were revised and the Revised OGs were brought into effect from 01st October, 2018 i.e. from Rabi 2018-19 Season. Subsequently, the PMFBY was revamped and Revamped Operational Guidelines was made effective from Kharif 2020 Season. The Committee are pleased to note that in the Revamped Operational Guidelines the Scheme has been made voluntary for all farmers. The objective of the Scheme is to bring more cropped area under PMFBY. However, the Committee are of the considered view that 'two Provisions' of the Revamped Operational Guidelines - (a) States delaying the release of subsidy beyond stipulated timelines can't participate in upcoming seasons; and (b) the requisite Central Share of premium subsidy (90:10 for North Eastern States and 50:50 for remaining States) will be provided for areas/crops having gross premium rate upto 25% for Irrigated and upto 30% for Un-irrigated Areas/Crops and the States have to bear the entire subsidy for areas/crops having Gross Premium Rate over and above 25% for Irrigated and 30% for Un-irrigated areas/crops - may lead to withdrawal of States from the Scheme. The Committee, therefore, desire the Department to suitably modify the above two Provisions of the Revamped Operational Guidelines so that states do not withdraw from the Scheme.

**REPLY OF THE GOVERNMENT**

The admissible claims under the Pradhan Mantri Fasal Bima Yojana (PMFBY) are normally 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 timely receipt of State share of premium subsidy from concerned State Government. However, settlement of claims in some States are delayed due to following reasons –

- Delay in release of State Share of Subsidy by concerned States

- Delay in sharing of yield data by States to Insurance Companies for Computation of Claims
- Other reasons including payment failure due to NEFT rejections
- Claims under process

Major reason for pendency of claims (more than 70%) is delay in release of requisite state share of subsidy by concerned State Governments amounting to more than ₹ 4690 Crore for the period kharif 2016 to Rabi 2020-21 with correspondence pendency of claim settlement of ₹ 2822 Crore (84%).

Considering this fact and to encourage the States to release their share on priority basis for betterment of farmers said provision has been incorporated in the guidelines.

As regarding provision of Central share of premium subsidy for areas/crops having gross premium rate upto 25% for irrigated and upto 30% for Un-irrigated Areas/Crops, it is informed that this provision has been incorporated under revamped operation guidelines to bring discipline and making the States more responsible in selection of crops for insurance. In the background it is stated that it has been observed that distribution of claims and benefits under the scheme very skewed, certain district-crop combinations have recurring claim experience resulting in higher premium rates under crop insurance schemes. It has also been seen that some of the crops having higher coverage area in a district have higher claim experience. It infers that either there are rampant anti-selection issues present or an effort needed to promote habit of cultivating more viable crops as per their Agro-climatic zones and other factors affecting the crop losses. In either of the cases above, optimum utilization of Government subsidy can't be achieved. In this context, it is important to analyze whether any alternate and viable low risk crop available in the region where high risk crops are being grown by farmers at present. This strategy may require revisit due to production requirement of different crops as per different supply-demand scenario and climatic changes etc.

Accordingly, a study has been entrusted to National Rainfed Area Authority (NRAA) to Study on Operational issues in implementation of PMFBY to recommend effective implementation strategies for most vulnerable districts.

[Ministry of Agriculture and Farmers Welfare  
(Department of Agriculture and Farmers Welfare)  
No. 18012/01/2020-Credit II (FTS 79981), Dated 24.01.2022]

**Withdrawal of States from PMFBY**  
**Recommendation Serial No. 3**

The Flagship Scheme of Pradhan Mantri Fasal Bima Yojana (PMFBY) was launched w.e.f. 01.04.2016 after rolling back earlier Schemes National Agriculture Insurance Scheme (NAIS), Weather Based Crop Insurance Scheme (WBCIS), Modified National Agricultural Insurance Scheme (MNAIS) to include more risks under Crop Insurance cover and to make it more understandable and affordable to the farmers. Punjab did not implement the Scheme since the beginning whereas Bihar and West Bengal have withdrawn from PMFBY from Kharif 2018 and Kharif 2019, respectively. Further, Andhra Pradesh, Gujarat, Telangana and Jharkhand have also not implemented the Scheme in 2020. As informed by the Department, the financial constraints of the State Governments and low claim ratio during normal seasons are the major reasons for non-implementation of the Scheme by these States. Though most of the withdrawing States are implementing their own Scheme, the Committee are of the view that withdrawal/non-implementation of PMFBY by more States in subsequent years will defeat the very purpose for which the Scheme was launched. The Committee, therefore, recommend the Department to properly look into the reasons/factors leading to withdrawal/non- implementation of the PMFBY by Punjab, Bihar, West Bengal, Andhra Pradesh, Gujarat, Telangana and Jharkhand and to initiate suitable steps so that States continue to implement the Scheme and farmers reap the benefit of the Scheme.

**REPLY OF THE GOVERNMENT**

Pradhan Mantri Fasal Bima Yojana (PMFBY) and Restructured Weather Based Crop Insurance Scheme (RWBCIS), have been introduced by Government of India and 27 States/Union Territories have implemented PMFBY/RWBCIS in one or more seasons.

PMFBY is voluntary for State/UTs and they can take decision to implement the Scheme keeping in view their risk perception and financial considerations etc.

Some State have opted out of the Scheme owing to different reasons mainly the financial constraints in providing timely State share of subsidy. Details of these states along with reasons which have opted out of the Scheme is as under:

<b>Name of State</b>	<b>Opted out since</b>	<b>Reason for opting out</b>	<b>Name of Own Crop Insurance/Assistance Scheme</b>	<b>Implemented Since</b>
Andhra Pradesh	Rabi 2019-20	Financial	Dr. YSR Free Crop Insurance Scheme	Rabi 2019-20
Bihar	Kharif 2018	Financial	Bihar Rajya Fasal Sahayata Yojana	Kharif 2018
Gujarat	Kharif 2020	Financial	Mukhyamantri Sahay Yojana	Kharif 2020
Jharkhand	Kharif 2020	Financial	Jharkhand Fasal Rahat Yojana	Under Discussion
Telangana	Kharif 2020	Financial	No Scheme	-
West Bengal	Kharif 2019	Name of the Scheme	Bangla Shashya Bima Yojana	Kharif 2019

However, the aforesaid schemes are providing limited coverage of risks and benefits to the farmers as compared to the PMFBY.

Keeping in views of the challenges being faced by Stakeholders including State Government, PMFBY/RWBCIS is constantly reviewed in consultation with all Stakeholders including State Governments and improvements are accordingly made in the Scheme framework/guidelines. Based on the experience gained in implementation of these schemes over two years and with a view to ensure better transparency, accountability, and timely payment of claims to the farmers, Government had comprehensively revised the Operational Guidelines of the scheme with effect from Rabi 2018-19 season in consultation with all stakeholders. The major changes made were 12% penal interest provision for late settlement of claims by insurance companies and late submission of their share in premium subsidy by concerned State Governments.

PFMBY/RWBCIS have further been revamped with effect from Kharif 2020 season. The major inclusion is making the scheme voluntary for all farmers instead of compulsory for loanee and voluntary for non-loanees, more flexibility to state for choosing risks and sum-insured and extensive use of technology in yield assessment

etc. To increase the coverage of farmers and to motivate the States to notify more crops and areas, the subsidy sharing pattern between Central and State Governments has changed to 90:10 in place of 50:50 in North Eastern States.

Further, some State like Maharashtra, Madhya Pradesh, Tamil Nadu, Uttar Pradesh etc. have raised concerns like increasing premium rates viz-a-viz their share in premium subsidy and suggested “Alternative Models” like “Cup and Cap” model of 80%-110% and co-insurance model of 80%:20% under PMFBY for adoption. Subsequently, Cup & Cap Model of 80%-110% was approved for implementation in Beed district of Maharashtra for 3 years starting Kharif 2020 and State of Madhya Pradesh for FY 2020-21 and FY 2021-22 and Coinsurance/Risk Sharing Model of 80:20 between State and Insurance Company in State of Tamil Nadu for FY 2020-21 and FY 2021-22 as a stop gap arrangement as these State were not able to get sufficient participation of Insurance Companies in tendering process.

Government is regularly persuading the States/UTs not implementing the scheme through various channels to participate in the scheme for the benefit of farmers of the State. Keeping in view the COVID-19 pandemic the provision of non-implementation of the scheme by States who are defaulting in releasing of State share of subsidy within time has not been made effective so far and all States have been allowed to implement the scheme. However, this Department is also regularly persuading such States at highest level to release the subsidy within time.

[Ministry of Agriculture and Farmers Welfare  
(Department of Agriculture and Farmers Welfare)  
No. 18012/01/2020-Credit II (FTS 79981), Dated 24.01.2022]

**Offices of Insurance Companies at District/Tehsil Level**  
**Recommendation Serial No. 4**

**The Committee note that Insurance Companies (ICs) implementing Pradhan Mantri Fasal Bima Yojana (PMFBY) are required to open a functional office at Tehsil Level in each District, deployment of at least One Agent at Block level in the allocated Districts and have to deploy one agriculture graduate in each District. The Committee, however, observe that offices and officials of Insurance Companies (ICs) implementing PMFBY are non-existent at Tehsil level in several Districts resulting in hardship to the farmers. In the larger interest of the farmers**

the Committee, therefore, strongly recommend the Department to ensure opening of a functional office at Tehsil Level in each District by ICs implementing PMFBY and to ensure presence of officials of ICs in these offices so as to mitigate the problems/hardships faced by the farmers and to facilitate farmers in availing the benefits of the Scheme. The Committee also recommend the Department to upload the updated details like address of functional offices of ICs implementing PMFBY at Tehsil Level in each District, with name and contact number(s) of official(s) deployed, etc on National Crop Insurance Portal (NCIP) on regular basis.

## REPLY OF THE GOVERNMENT

The implementing insurance companies are being directed from time to time to comply with the provisions of the Operational Guidelines to open offices at Tehsil level. Department is compiling information pertaining to offices opened by the implementing insurance companies at district and block level and deployment of manpower in each of these offices on regular basis since Rabi 2020. State-wise/District-wise/block-wise summary of functional offices and manpower of the insurance companies in which these companies have been allocated business are given below:

<b>Detail of Offices and Manpower of implementing PMFBY</b>							
<b>S.No</b>	<b>Allotted State</b>	<b>Allotted no. of Districts</b>	<b>Functional Office at District Level</b>	<b>Manpower deployed at District Level</b>	<b>Blocks</b>	<b>Functional Office at Block level</b>	<b>Manpower deployed at Block Level</b>
<b>Agriculture Insurance Company of India Ltd. (AIC)</b>							
1	Assam	15	15	15	89	8	8
2	Chhattisgarh	20	20	20	109	109	109
3	Haryana	7	7	7	37	37	37
4	Himachal Pradesh	11	1	8	78	29	26
5	Karnataka	6	3	3	40	40	40
6	Kerala	14	0	26	77	77	51
7	Madhya Pradesh	40	40	40	255	255	255
8	Maharashtra	2	3	7	92	9	140
9	Odisha	9	9	9	100	100	100
10	Rajasthan	7	19	26	57	57	60
11	Tamil Nadu	32	31	31	258	188	193
12	Uttar Pradesh	37	37	37	169	169	171
13	Uttarakhand	13	13	13	27	27	27

	<b>Total</b>	<b>213</b>	<b>198</b>	<b>242</b>	<b>1388</b>	<b>1105</b>	<b>1217</b>
<b>Bajaj Allianz General Insurance Company Ltd.</b>							
1	Chhattisgarh	8	8	6	41	40	41
2	Haryana	8	0	8	44	0	50
3	Karnataka	6	5	5	40	5	40
4	Maharashtra	1	1	1	8	8	8
5	Rajasthan	4	0	4	42	0	50
	<b>Total</b>	<b>27</b>	<b>14</b>	<b>24</b>	<b>175</b>	<b>53</b>	<b>189</b>
<b>Bharti Axa/ICICI Lombard General Insurance Company Ltd.</b>							
1	Karnataka	3	3	5	15	15	15
2	Maharashtra	3	3	9	16	16	82
	<b>Total</b>	<b>6</b>	<b>6</b>	<b>14</b>	<b>31</b>	<b>31</b>	<b>97</b>
<b>Future Generalli Insurance Company Ltd.</b>							
1	Assam	3	3	7	17	17	15
2	Goa	2	2	2	0	2	0
3	Karnataka	6	6	7	41	41	40
4	Rajasthan	3	3	7	31	31	34
	<b>Total</b>	<b>14</b>	<b>14</b>	<b>23</b>	<b>89</b>	<b>91</b>	<b>89</b>
<b>HDFC-Ergo General Insurance Company Ltd.</b>							
1	Assam	7	7	10	56	56	53
2	Himachal Pradesh	4	4	4	29	29	29
3	Karnataka	5	5	33	35	32	5
4	Madhya Pradesh	10	10	10	63	63	67
5	Maharashtra	20	20	25	107	107	125
6	Odisha	9	9	12	92	92	92
7	Rajasthan	3	3	5	21	21	26
8	Tripura	8	8	9	56	56	56
9	Uttar Pradesh	8	8	8	36	36	38
	<b>Total</b>	<b>74</b>	<b>74</b>	<b>116</b>	<b>495</b>	<b>492</b>	<b>491</b>
<b>IFFCO-Tokio General Insurance Company Ltd.</b>							
1	Himachal	4	4	4	8	1	5
2	J&K	1	1	1	4	4	7
3	Maharashtra	7	7	7	82	82	80
4	TamilNadu	19	19	14	46	46	46
5	Uttar Pradesh	11	11	11	101	101	91
	<b>Total</b>	<b>42</b>	<b>42</b>	<b>37</b>	<b>94</b>	<b>234</b>	<b>229</b>
<b>National Insurance company Ltd.</b>							
1	Sikkim	4	1	1	16	1	0
2	Andaman & Nikobar Islands	3	1	1	8	1	0
3	Puducherry	3	3	1	7	4	0

	<b>Total</b>	<b>10</b>	<b>5</b>	<b>3</b>	<b>31</b>	<b>6</b>	<b>0</b>
<b>Reliance General Insurance Company Ltd.</b>							
1	Assam	6	6	5	35	35	35
2	Haryana	8	8	11	48	48	48
3	J & K	3	3	3	42	42	40
4	Madhya Pradesh	2	2	4	13	13	11
5	Maharashtra	19	19	22	190	190	212
6	Odisha	12	12	12	125	125	121
7	Rajasthan	6	6	11	74	74	73
	<b>Total</b>	<b>56</b>	<b>56</b>	<b>68</b>	<b>527</b>	<b>527</b>	<b>540</b>
<b>SBI General Insurance Company Ltd.</b>							
1	Assam	2	0	3	16	0	17
2	Himachal Pradesh	9	2	9	47	0	0
3	Karnataka	13	13	13	100	0	0
4	Rajasthan	9	9	11	86	86	153
5	Uttarkhand	10	1	19	97	0	7
	<b>Total</b>	<b>43</b>	<b>25</b>	<b>55</b>	<b>346</b>	<b>86</b>	<b>177</b>
<b>Univeral Sompo General Insurance Company Ltd.</b>							
1	Karnataka	9	9	9	67	0	65
2	Rajasthan	3	3	3	26	26	25
3	Uttar Pradesh	23	24	42	292	0	248
	<b>Total</b>	<b>35</b>	<b>36</b>	<b>54</b>	<b>385</b>	<b>26</b>	<b>338</b>
	<b>Grand Total</b>	<b>520</b>	<b>470</b>	<b>636</b>	<b>3561</b>	<b>2651</b>	<b>3367</b>

Further, Insurance Companies have also instructed to share this information with the concern nodal officers at State and district level involved in PMFBY implementation. Provision has also been made to upload the information about offices of implementing insurance companies on NCIP.

To strengthen the infrastructure at the grass root level for smooth scheme implementation, this department has issued a Standard Operating Procedure (SoP) dated 27 May 2021, with respect to dedicated infrastructure (offices) and deployment of manpower by implementing Insurance Companies at district and block level and proper setting up and functionality of grievance redressal mechanism at the field level for facilitating farmers in availing benefits of crop insurance scheme.



Further, this department through Capacity Building team of National TSU(PMFBY) conducted rigorous trainings of manpower deployed by of Insurance Companies in 14 batches, that were attended by more than 2510 field functionaries from district and block level in Kharif 2021. Similar exercise was also conducted during Rabi 2021-22 season. Besides above, Fasal Bima Pathshala are also being organized at village level to educate about the provisions and benefit of the schemes to the farmers as part of Amrit Mahotsav Programme.

[Ministry of Agriculture and Farmers Welfare  
(Department of Agriculture and Farmers Welfare)  
No. 18012/01/2020-Credit II (FTS 79981), Dated 24.01.2022]

**Imposing penalty on Insurance Companies**  
**Recommendation Serial No. 6**

**The Department has informed the Committee that it has imposed penalty on some of the Insurance Companies (ICs) and the defaulting Insurance Companies have been asked to pay calculated penalty amount at Rs. 22,17,38,725 pertaining to Crop Season upto Rabi 2017-18. Further, as all the data is available with the concerned States, the State Government submit the data to Central Government and then aforesaid data is examined and penalty is enforced. Therefore, to reduce the time in calculation and payment of penalty State Governments have been advised to calculate and settle the penalty with Insurance Companies and share the details with GOI in Prescribed Format. Moreover, the States have been further advised to ensure payment of Penal Interest on account of delay in settlement of claims by concerned Insurance Companies to the affected farmers along with pending claims amount. The Committee are of the considered view that delay on account of procedural aspect in taking action against the defaulting ICs renders all this exercise infructuous and therefore, recommend the Department to take action against the defaulting Companies so as to make sure that the whole process of penalization is completed within a fixed timeframe.**

**REPLY OF THE GOVERNMENT**

As all the data relating to submission of yield data, payment of premium subsidy and date of settlement of claims is available with the concerned Sates, therefore, to avoid the delay in imposing of penalty and to reduce the time in calculation & payment of penalty for late settlement of claims, State Governments have been advised to calculate and settle the penalty with insurance companies at their own and submit the

details of settlement of penalty with the Ministry of Agriculture and Farmers Welfare in prescribed format for information. Moreover, States were further advised to ensure payment of penal interest on account of delay in settlement of claims by concerned Insurance Companies to the affected farmers along with pending claims amount.

Accordingly, State Governments have been requested vide letters dated 22nd August 2019 and reminders dated 16th September 2019, 30th June 2020, 7th August, 2020, 2nd November, 2020 to impose penalty, if any, for late settlement of claims on concerned insurance companies.

However, major reason for delay in settlement of claims to the eligible insured farmers by the insurance companies is late release of share in premium by the concerned States to the insurance companies.

[Ministry of Agriculture and Farmers Welfare  
(Department of Agriculture and Farmers Welfare)  
No. 18012/01/2020-Credit II (FTS 79981), Dated 24.01.2022]

#### **Recommendation Serial No. 10**

**The Committee are surprised to note that when asked about the details of complaints resolved by these Committees the Department submitted "Data on types of grievances resolved by these Committees is not available". The Committee are disappointed with this reply and strongly recommend the Department to maintain a record/data on types of grievances resolved by these Grievances Redressal Committees as this will not only provide information on the work done by these Committees but will also help in understanding the shortcomings and bringing subsequent improvement/rectification in implementation of the Scheme. The Committee are also of the opinion that the Department should provide a Toll Free number of 3-4 digits for queries regarding PMFBY, registration of complaints by the farmers, information regarding action taken on their complaints, etc. The Committee further desire this Toll Free Number be popularised in a big way and at the same time it should be made sure that the complaints are attended to in a time bound manner for effective monitoring of the implementation of the Programme.**

#### **REPLY OF THE GOVERNMENT**

The implementing State /UT Governments under Pradhan Mantri Fasal Bima Yojana (PMFBY) are required to notify the Block Level/District Level/State Level Grievance Redressal Committees and dispose of the grievances as per the procedure

given in the revised/revamped Operational Guidelines of the scheme. As the matter is examined and disposed of at the State level, all the information relating to complaints pending and disposed remains with the concerned State Governments. IT platform to integrate the information of the grievances, their status and disposed etc. from the State/districts are being developed.

Four digit toll-Free number of Kisan Call Centre (1551) at department level to simplify the process so that all solution related to agriculture including crop insurance may be resolved by remembering only single four digit toll free number is being used for questions/queries related to PMFBY. PMFBY related questions/queries are also replied/taken up by the dedicated Tele-executives at Kisan call Centre. Government is also advertising this number regularly in its advertisements. Insurance Companies have also been advised to publicise this number in their advertisements. This department, through Capacity Building team of National TSU of PMFBY, conducts regular training of Tele-executives and Supervisors of Kisan Call Centre in both Kharif and Rabi season every year.

Further, functionality of Toll-free numbers of implementing Insurance Companies is also regularly monitored by this department by random verification in both Kharif and Rabi season. Besides, training of Tele-executives of IC's Toll Free number of insurance companies has also been conducted by this department.

The scheme has also been added for monitoring in District Development Coordination and Monitoring Committee named Disha meetings by local public representatives i.e MPs, MLAs etc.

[Ministry of Agriculture and Farmers Welfare  
(Department of Agriculture and Farmers Welfare)  
No. 18012/01/2020-Credit II (FTS 79981), Dated 24.01.2022]

### **Technological Interventions** **Recommendation Serial No. 11**

**The Committee note that one of the major reasons for delay in settlement/non-settlement of claims is yield related disputes between Insurance Companies and States and delayed transmission of Yield Data. The Yield Data for calculation of admissible claims is provided by the concerned State Government**

on the basis of Crops Cutting Experiments (CCEs), which are highly time consuming and labour intensive and is thereby a challenging task for the States due to lack of infrastructure, funds, short harvesting time period, time interval/seasonality in nature, etc.. The Committee also note that different technological interventions have been incorporated in the Operational Guidelines of the Scheme to overcome these problems. Further, the use of Smart Sampling Technique through Satellite Data for Crop Cutting Experiments by some States has shown increased efficiency in implementation. The Committee, therefore, recommend the Department to expand and universalize the different technological interventions such as use of Smart Sampling Technique through the Satellite Data, use of Drones, etc. for Crop Cutting Experiments which will not only increase efficiency in implementation but also ensure transparency and less human intervention, which, in turn, will lead to the satisfaction of all stakeholders and mainly farmers. The Committee also recommend the Department to coordinate with the State Governments and impress upon them to integrate the land records with National Crop Insurance Portal on Top Priority Basis.

## **REPLY OF THE GOVERNMENT**

As per provisions of Operational Guidelines of PMFBY, each implementing State has to adopt improved technology for effective implementation of the scheme. There is also detailed SoP for resolutions of disputes between States and Insurance Companies and other stakeholders for timely settlements of claims and stratified grievance redressal Committees at block level, district level and State level for redressal of grievances of stakeholders including farmers.

Besides above, several technological intervention are also being adopted/piloted for accurate and timely estimation of crop yield/crop losses using following techniques:

- Smart Sampling Implementation and Optimization of CCEs
- Large-scale Pilot Studies on Gram Panchayat (GP) Level Crop Pilot Yield estimation using Technology
- Validation of GP level pilot study
- EoI-GP level Crop Yield estimation for Non Cereals crop
- Evaluation of Data and Final report of Kharif 2019 Pilot studies
- SOP preparation for satellite data use, yield quality checking, Smart Sampling, Yield Dispute resolution, Technology based yield estimation, etc.
- Study of Globally available approaches for villages/field level crop yield estimation

Further, to incentivise the States for CCE Agri App for reporting Crop Cutting Experiments (CCEs) data on National Crop Insurance Portal (NCIP) with Geo-coded

and time stamped data has been developed Government of India is providing 50% of procurement cost of smartphone alongwith internet data charges for the reporting of CCEs data on NCIP. Further, States implementing the scheme at the Village/ Village Panchayat level for major crops are also entitled for 50% reimbursement of incremental expenses of Crop Cutting Experiments (CCEs).

Timelines have also been framed for adoption of aforesaid technology in larger areas of country and through out the country in phased manner.

[Ministry of Agriculture and Farmers Welfare  
(Department of Agriculture and Farmers Welfare)  
No. 18012/01/2020-Credit II (FTS 79981), Dated 24.01.2022]

**Publicity and Awareness of the Scheme**  
**Recommendation Serial No. 12**

The Committee note that PMFBY is available for all the farmers and is 'Voluntary' in nature for both States/UTs and Farmers. To increase the coverage of farmers under the PMFBY, the Operational Guidelines of the PMFBY provides for creation of awareness among farmers. The Government has taken several initiatives including active involvement of all stakeholders especially States and the implementing Insurance Companies for conduct of publicity campaign/awareness programmes to build farmers awareness about crops Insurance Schemes. The Committee further note that 0.5% of Gross Premium per Company per - Season has been earmarked for publicity and awareness. The details of 0.5% expenditure of Gross Premium on publicity, awareness, etc. are regularly being obtained from the empanelled ICs. Under the Revamped Operational Guidelines of the Scheme, implementing Insurance Companies have to surrender Unspent Balance, if any, under the Central IEC Pool Fund. This fund is being utilized Centrally for IEC Activities and regularly monitored by the IEC Advisory Committee, constituted for this purpose.

The Committee, therefore, recommend the Department to ensure/monitor the expenditure of 0.5% of Gross Premium per Company per Season for publicity and awareness is actually made so as to increase the coverage of farmers specifically the Small and Marginal farmers under the PMFBY. The Committee also recommend the Department to ensure transfer of unspent balance, if any, to Central IEC Pool Fund without fail.

**REPLY OF THE GOVERNMENT**

The revised Operational Guidelines of PMFBY provides allocation of 0.5% of gross premium collected by the insurance companies on IEC activities and the

corresponding details should be submitted to GOI and submit the corresponding details to Central/ State Govt. at the end of every season.

Keeping in view the importance of Information Education and Communication (IEC) activities to increase awareness among farmers the provision has further been strengthened for uniform and centralized communications activities for PMFBY. Now 0.25% of the gross premium alongwith unspent balance from 0.25% being utilized by the insurance companies is required to be pooled at Central IEC fund. The Central Fund is maintained and utilized by a Committee of representatives of Government and insurance companies.

The overall expenditure of 0.5% of gross premium for Rabi 2018-19, Kharif 2019, Rabi 2019-20, Kharif 2020, Rabi 2020-21 and Kharif 2021 seasons have been reviewed as per the update on NCIP portal on 03<sup>rd</sup> December 2021, to identify the status of unspent balance for previous seasons and the mandatory pooling of 0.25 % of gross premium for Kharif 2021 at central level.

The systematic monitoring of IEC activities is being ensured in real time at national level through digital gateways by the Central IEC advisory committee. The behavioural change communication activities conducted by Insurance Companies are being monitored on continuous and real time basis. The deep assessment of each insurance company is being carried out based on their various awareness activities and their impact.

A well organised ground activation campaign 'Crop Insurance Week/Fasal Bima Saptah' was initiated by the Ministry of Agriculture and Farmers Welfare since Kharif 2021 under Azadi Ka Amrit Mahotsav, an initiative to celebrate 75 years of India's independence, in all the districts/areas notified PMFBY implementing districts with special emphasis on 75 aspirational/tribal districts. The core focus of the campaign is to increase the coverage of farmers specifically the small and marginal farmers thereby helping them to reap the benefits of crop insurance with special focus on identified aspirational/tribal districts. Besides above, 'Fasal Bima Pathshala' at village level are also being organized at village level to educate the famres about provisions and benefits of the farmers.

[Ministry of Agriculture and Farmers Welfare  
(Department of Agriculture and Farmers Welfare)  
No. 18012/01/2020-Credit II (FTS 79981), Dated 24.01.2022]

## **Utilisation of Administrative Expenses**

### **Recommendation Serial No. 14**

**The Committee note that under Revamped Operational Guidelines of the Scheme which are effective from Kharif 2020 Season, a Provision has been made for earmarking Administrative Expenses @ 3% for strengthening the infrastructure and technology for better delivery under the Scheme. The Committee have been informed that Central Government and concerned State Governments would make their own Budget Provisions and utilize them as per their requirements and financial norms. However, Central Government has initiated various Pilots for use of technology in yield estimation through Mahalanobis National Crop Forecasting Centre (MNCFC). Based on these Studies, statistically approved/accepted Models with fair accuracy would be adopted. The Committee are of view that regular monitoring for proper utilization of allocated amount is needed for achieving the desired result. The Committee, therefore, recommend the Department to monitor the utilization of the allocated amount on regular basis so as to achieve the objective of strengthening of infrastructure and technology for ensuring better delivery of the Scheme to the best satisfaction of the farmers.**

### **REPLY OF THE GOVERNMENT**

Government is taking all steps necessary to strengthen the infrastructure and technology for better delivery under the Scheme. As informed earlier, the Central Government and concerned State Governments make their own Budget Provisions and utilize them as per their requirements and financial norms.

Govt. Has already made provisions for activities under sub heads like Other Administrative Expenses, Professional Services Salaries, Domestic Travel Expenses, and Technology interventions, Office Expenses, etc. for Crop Insurance program under PMFBY/RWBCIS.

A Technical Support Unit (NTSU)/Program Management Unit (PMU) has been set up at the Central level to provide support and advise on risk classification & rating, research & development of new products, methodology for loss assessment, legal works, workshop/training & capacity building, along with the use of technology including innovation/ replication, digitization of administration of Schemes etc. through NCIP.

The NCIP is being further enhanced to provide a single Information Technology (IT) enabled platform for digitization of processes and information data bank and

dissemination mechanism, automation of administrative procedures, integration of information and systems across multiple sources, information validation and premium and claim calculation and remittance etc.

Govt. reimburses to States implementing PMFBY at the Village/ Village Panchayat level for major crops for 50% of incremental expenses of CCEs and the cost of smart phones/ improved technology.

Government regularly monitors through progress review meetings/discussions the progress of various pilot studies initiated for use of technology in yield estimation through MNCFC as per provisions of the contract of agencies selected by MNCFC for execution of the pilots.

Government of India makes necessary administrative budgetary provisions required for effective and efficient operations of the Scheme and to strengthen the infrastructure and technology for ensuring better delivery of the Scheme. Govt. further regularly monitors the utilization of such expenditure so as to ensure optimum end use of funds in compliance with General Financial Rules.

[Ministry of Agriculture and Farmers Welfare  
(Department of Agriculture and Farmers Welfare)  
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**CHAPTER - III**  
**OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT  
DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES**

**Utilization of CSR Funds**

**Recommendation Serial No. 13**

The Committee have been informed that at present there is 'no provision' in the PMFBY that the Insurance Companies implementing PMFBY have to spend their share of profits as the Corporate Social Responsibility (CSR) in the districts from where the profit has been earned. The Committee are of the considered opinion that the CSR Funds from the share of profits earned by the Empanelled Insurance Companies from PMFBY in the State/District be utilized towards development of rural areas in the respective State/District. The Committee, therefore, advise the Department to incorporate such a provision under the PMFBY for utilization of share of profit under Corporate Social Responsibility (CSR) in the State/District by the Insurance Companies from which the profit has been earned.

**REPLY OF THE GOVERNMENT**

The Corporate Social Responsibility (CSR) is governed by Section 135 of the Companies Act, 2013 and Rules made thereunder wherein the criteria has been provided for assessing the CSR eligibility of a company, Implementation and Reporting of their CSR Policies etc. There is no specific provision in the said Act/Rules to ask companies to utilize profits from their specific branch of business say PMFBY, motor insurance, fire insurance etc. for CSR. Insurance Companies are doing CSR activities from their overall profits as per CSR Rules.

[Ministry of Agriculture and Farmers Welfare  
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## **CHAPTER - IV**

### **OBSERVATIONS/ RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE**

#### **Performance Evaluation of Insurance Companies Recommendation Serial No. 5**

The Committee note that under the Operational Guidelines of PMFBY there is provision of Performance Evaluation of Insurance Companies based on various counts like withdrawal of bids after being L-1; enrolment of Loanee and Non-loanee farmers; settlement of claims within prescribed period; district offices & human resources; bidding participation; preparation of brochures etc.; training, workshop etc.; CCE Co-observance; localized loss/post-harvest claims etc. The Committee have been informed that the Department is in the process of performance evaluation of the Empanelled Insurance Companies. In this regard, after completion of the respective Seasons information in the defined format is being collected for evaluation of the performance of the ICs. It has also been informed that few shortcomings especially with respect to deployment of manpower/infrastructure at ground level and delay in payment of claims has been noticed and necessary clarification/action has been initiated. The Committee find it strange that inspite of provision of performance evaluation of ICs, the Department failed to provide specific details of the evaluation done since the inception of this Scheme. The Committee desire the Department to prepare a time-frame and strictly adhere to the timelines for performance evaluation of Insurance Companies on regular basis and apprise the Committee of action taken in this regard.

#### **REPLY OF THE GOVERNMENT**

As per provisions of revamped Operational Guidelines of the scheme, IC is to be closely monitored by the concerned Nodal Department of the State Government at the end of the completion of each 1 year interval comprising of atleast two crop seasons i.e. Kharif and Rabi through ascertaining the company's skills, commitment and efficiencies for providing cost effective and efficient insurance services to farmers. For the purpose, a detailed performance evaluation matrix containing key performance indicators with assigned weightage has been worked out and is as given in Annexure –IV of the Operational Guidelines. The base data to be used for the evaluation may be extracted from NCIP. The Nodal department has to share their evaluation report with respective Insurance Company by for their comments and confirmation. Each Insurance Company

has to be given enough opportunity to present their views and substantiate their observations with valid data/proofs. Nodal Department shall evaluate such additional data/proofs submitted by Insurance Company and accordingly review their evaluation report and submit to Ministry of Agriculture & Farmers Welfare.

Once the Performance Evaluation report has been accepted and finalized after validation by the Central Government MoA&FW, the corresponding actions is to be taken by the Ministry along with similar actions by the Nodal Department of the state.

No report for the year 2020-21 has been received in this regarding from any of the State. Department of Agriculture & Farmers Welfare is writing to State to submit the evaluation report for further necessary action

However, under revised operational guidelines show-cause notices were issued to some companies for non-participating in bidding process and most of these companies have assured to continue participation in bidding in coming years.

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### **Comments of the Committee**

For comments of the Committee please refer to Para No.1.7 of Chapter I of this Report.

### **Coverage of farmers**

#### **Recommendation Serial No. 7**

**The Committee are happy to note that the Government has made the Scheme optional for all the farmers (Loanee/Non-Loanee) from Kharif 2020 . The Non-loanee farmers desirous of availing insurance under PMFBY for any Notified Crop in any Notified Insurance Unit may approach the nearest Bank-Branch/PACS/Authorized Channel Partner/ CSC/Insurance Intermediary of Insurance Company or directly fill-up the Online Application Form on the NCIP within cutoff date and simultaneously upload/ submit the requisite documents and applicable premium to concerned Agency. Whereas, the Existing Loanee farmers who do not want to get covered under the Scheme have the option of opting-out from the Schemes by submitting requisite declaration to loan sanctioning bank branches any time during the year but at least seven days prior to the cut-off date for enrolment of farmers for the respective Season. All those Loanee farmers who do not submit the declaration would be essentially covered. The Committee are of the considered view that though the Loanee farmers can**

opt out of the Scheme by submitting a declaration form but most of the farmers are ignorant about this provision and the amount gets mandatorily deducted from their account. The Committee, therefore, recommend the Department to change this provision and provide that only those Loanee farmers who want to avail the Scheme be required to fill the requisite form for deduction. There should be no compulsory deduction from the account of Loanee farmers. Also, the Committee are of the opinion that a mechanism be made available to the farmers covered to get the step-wise updates about their registration, deduction of premium, etc. through SMS on their Registered Mobile Phones to keep them informed about each stage. The Committee be informed about the action taken in this regard.

## **REPLY OF THE GOVERNMENT**

The abovesaid provision has been made in view of administrative challenge specially during COVID-19 pandemic situation. Intensive Information, Education and Communication (IEC) activities including publicity and awareness campaigns are being organized through different medium to make the farmers aware about this provision. Quick Response (QR) Coded acknowledgement receipts having details of insured crops, area, sum insured, premium collected, subsidy amount with brief features of the scheme and contact details of insurance companies/Grievance Redressal Officer etc. are provided on the spot to the farmers enrolled through Common Service Centers (CSCs) or directly online through National Crop Insurance Portal (NCIP) – [www.pmfby.gov.in](http://www.pmfby.gov.in). Acknowledgement Receipt in pdf format is provided to the banks on their log in page for onward delivery to the farmers enrolled through banks. In addition, Acknowledgement Receipt in the form of inland letter is also posted by the insurance companies to loanee farmers under the scheme. Further, farmers are also informed by SMSs through Kisan Portal/National Crop Insurance Portal (NCIP). Insured farmers can also track the status of their application on NCIP and mobile based Crop Insurance App.

[Ministry of Agriculture and Farmers Welfare  
(Department of Agriculture and Farmers Welfare)  
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## **Comments of the Committee**

For comments of the Committee please refer to Para No.1.10 of Chapter I of this Report.

## **Delay in Settlement of Claims**

### **Recommendation Serial No. 8**

The Committee note that one of the major impediments in the successful implementation of PMFBY is the delay in the settlement of claims. The Committee have been informed that the delays in settlement of claims are mainly due to reasons like delayed transmission of yield data; late release of their share in premium subsidy and/or yield data by some States, yield related disputes between Insurance Companies and States, non-receipt of account details of some farmers for transfer of claims and National Electronic Fund Transfer (NEFT) related issues, etc. Moreover, there is provision of Penalties @ 12% interest rate per annum to be paid by the Insurance Company to farmers for delay in settlement of claims beyond 10 days of prescribed cut off date for payment of claims. Whereas, the State Govt. have to pay 12% interest rate for delay in release of State share of Subsidy beyond three months of prescribed cut off date/submission of requisition by Insurance Companies. However, the Department is regularly monitoring the implementation of PMFBY including timely settlement of claims. The Committee are not convinced with the reasons cited for the delay by the Department and are of the view that whatever be the reasons for delay in settlement of claims, it is the farmers of the country who ultimately suffer. The farmers avail the insurance Scheme under PMFBY with an expectation that it will help in mitigation of loss in time of distress. But delay in settlement of claims defeats the very purpose of the Scheme. The Committee feel that delay in settlement of claims is not acceptable in any way and therefore, strongly recommend the Department to make the Scheme more technology driven and ensure that all the Institutional Mechanism works in tandem so that registration of farmers, conducting of CCEs, settlement of claims, etc becomes hassle free and farmer-friendly. In the absence of any time-frame within which the claims are to be settled by the Insurance Companies (ICs) the farmers are left at their mercy and the lengthy Court Procedures add to their miseries. The Committee, therefore, recommend that a timeline be fixed for ICs to settle their claims and in case of non-adherence to the timelines the Insurance Companies be penalized. The Committee further recommend that when the reason for delay is non-payment of Subsidy by the State, the premium paid by the farmers be returned along with interest within a fixed time frame. The Committee would like to be apprised of the holistic measures worked out by the Department in this regard.

### **REPLY OF THE GOVERNMENT**

As per timelines already given in the Operational Guidelines of Pradhan Mantri Fasal Bima Yojana (PMFBY), the admissible claims are normally 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 timely receipt of State share of premium subsidy from concerned State Government. However, settlement of claims in some States are delayed due to following reasons –

- Delay in release of State Share of Subsidy by concerned States
- Delay in sharing of yield data by States to Insurance Companies for Computation of Claims
- Other reasons including payment failure due to NEFT rejections
- Claims under process

State wise details of claims (*From Kharif 2016 to Rabi 2020-21*) pending due to delay in release of State Share of Subsidy is presented below –

₹ Crore

State	State Subsidy Pending	Claims pending due to State Subsidy
Maharashtra	1,291.6	694.6
Tamil Nadu	914.2	115.0
Gujarat	859.5	258.8
Telangana	468.5	951.2
Jharkhand	362.5	659.4
Others	705.56	329.1
<b>Total</b>	<b>4601.86</b>	<b>3008.1</b>

As of 27.12.2021

Following Provisions have been made to ensure timely release of State Share of Premium Subsidy and submission of Yield data/crop loss assessment report by States for computation of claims at the earliest:

- Timeline for timely release of State Share of Premium Subsidy and submission of Yield data/crop loss assessment report by States for computation of claims:
- Penalty provision for delay in release of State share of Subsidy @12% per annum. Provision to not allow the States to implement the schemes in case of delay in release of subsidy beyond specified period i.e. end of March for Kharif season enrolment and October for Rabi season.
- Settlement of claims on arriving Technology based yield in case of delay in providing yield data by States
- Payment of Penalty @12% for delay in settlement of claims by Insurance Companies after one months of receipt of Yield data.
- Leveraging of Technology and financial support to the States for its adoption

- Crop Insurance Portal for end to end administration of Schemes by integrating all stakeholders and activities in one ICT platform.
- Real time transfer of data of Crop Cutting Experiments (CCEs) through CCE-Agri App on Portal. Incentivize the States to transfer of CCEs data using smartphone.

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### **Comments of the Committee**

For comments of the Committee please refer to Para No.1.13 of Chapter I of this Report.

### **Grievances Redressal Committees**

#### **Recommendation Serial No. 9**

The Committee note that a 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 w.e.f. Rabi 2018-19 Season for the redressal of grievances of Farmers, Banks, Insurance Companies, District Authority/Department and it has been further strengthened in Revamped Operational Guidelines. Accordingly, 15 States/Union Territories have notified both District and State Level Grievance Redressal Committees in their respective States. However, certain States like Tamil Nadu, Maharashtra and Rajasthan have formulated Taluka Level GRCs also in addition to SGRC and DGRC to strengthen the grievance redressal system for fast and speedy disposal of grievances at grassroots level. The Committee further note that the DGRC is headed by District Magistrate/Collector and representatives of Farmers, Lead District Manager (LDM)/Banks, District Development Manager (DDM), NABARD, Insurance Company and concerned District Authority/ Department (i.e. Agriculture/ Horticulture/ Cooperative/ Revenue/ Agricultural Statistics, etc.) are appointed as Members. The DGRC may also invite subject specialists/experts from University/IMD/Commodity Boards/Research Institutions, SRSAC, etc if deemed necessary. The Committee, therefore, recommend the Department to ensure formulations of Grievances Redressal Committees at different levels by all the remaining States/UTs in compliance with the clauses of Operational Guidelines of Scheme on priority so as to resolve farmers grievances regarding rejections of their insurance claims, delay in payment etc. The Committee further recommend the Department to nominate local public representatives (MP(s)/MLA(s) etc.) in

**the District Level Grievance Redressal Committee (DGRC) in order to ensure accountability of concerned stakeholders and enhance the acceptability of the Scheme amongst the farmers.**

## **REPLY OF THE GOVERNMENT**

Different steps have been taken up by Central & State Governments to increase the awareness about the Stratified Grievance Redressal Mechanism adopted by PMFBY amongst the farmers and other stakeholders. Accordingly, many States and UTs have issued Notifications on the constitution of the Grievance Redressal Committees clearly depicting the nature, roles and responsibilities of the functionaries entrusted in the Grievance Redressal Committees specifying the timelines for disposal of Grievances. Nearly 21 States/UTs have constituted and notified Grievance Redressal Committees at State and District levels. Remaining implementing States are also been advised through various channels to comply the provisions of Operational Guidelines in this regard. Status of constitution of GRCs by States/UTs is given below :

<b>Sl. No:</b>	<b>Name of the Sate / UT</b>	<b>SGRC</b>	<b>DGRC</b>
1.	Andhra Pradesh	YES	YES
2.	Andaman & Nicobar Islands	NO	NO
3.	Arunachal Pradesh	Not implementing the Scheme	
4.	Assam	YES	YES
5.	Bihar	Not implementing the Scheme	
6.	Chandigarh	Not implementing the Scheme	
7.	Chattisgarh	YES	YES
8.	Dadra Nagar Haveli & Daman Diu	Not implementing the Scheme	
9.	Delhi	Not implementing the Scheme	
10.	Goa	YES	NO
11.	Gujarat	YES	YES
12.	Haryana	YES	YES
13.	Himachal Pradesh	YES	Few Districts have constituted
14.	Jammu & Kashmir	NO	NO
15.	Jharkhand	YES	YES



16.	Karnataka	YES	YES
17.	Kerala	YES	NO
18.	Ladakh	Not implementing the Scheme	
19.	Lakshadweep	Not implementing the Scheme	
20.	Madhya Pradesh	YES	YES
21.	Maharashtra	YES	YES
22.	Manipur	NO	NO
23.	Meghalaya	YES	YES
24.	Mizoram	NO	NO
25.	Nagaland	Not implementing the Scheme	
26.	Odisha	YES	YES
27.	Punjab	Not implementing the Scheme	
28.	Puducherry	NO	YES
29.	Rajasthan	YES	YES
30.	Sikkim	NO	NO
31.	Tamil Nadu	YES	YES
32.	Telangana	YES	YES
33.	Tripura	YES	YES
34.	Uttarakhand	YES	YES
35.	Uttar Pradesh	YES	YES
36.	West Bengal	Not implementing the Scheme	

As per reports received from the States/UTs, State-wise details of number of complaints/ Grievances redressed and pending for redressal are given in following table:

Sl. No:	Name of the State / UT	Number of complaints which have been resolved by the Committees in the current year	Number of complaints pending in State Level Grievance Redressal Committee
1.	Andhra Pradesh	Nil	Nil
2.	Assam	Nil	Nil
3.	Chattisgarh	10	08
4.	Goa	Nil	Nil
5.	Haryana	37454	5522
6.	Himachal Pradesh	Nil	Nil

7.	Karnataka	Nil	Nil
8.	Kerala	Nil	Nil
9.	Madhya Pradesh	Exact number not given	4
10.	Maharashtra	1	1
11.	Meghalaya	Nil	Nil
12.	Odisha	78	10
13.	Puducherry	Nil	Nil
14.	Rajasthan	Nil	Nil
15.	Tamil Nadu	1	Nil
16.	Telangana	Nil	Nil
17.	Tripura	Nil	Nil
18.	Uttarakhand	Nil	Nil
19.	Uttar Pradesh	Nil	Nil

The Notification on the GRCs is published through electronic and print media and circulated and displayed in vicinity for the information of the farmers and other stakeholders. Copies of GRC Notification are displayed in the Notice Boards of implementing Departments, Banks, Panchayati Raj Institutions, Common Service Centres and Insurance Companies as well. It is observed that the GRCs in most of the bigger States implementing PMFBY are functional and has a definite, customized channel for the receipt and disposal of the grievances as per the OGs of PMFBY. The representatives of the farmers have already been included in the GRCs.

State Governments have been asked to maintain record data/record on type of grievances resolved by these committees.

Besides the regular monitoring of implementation of PMFBY by District Level Monitoring Committee (DLMC) under the Chairmanship of District Collector. The Scheme is also reviewed in the meetings of DISHA. State Government has been advised to present the progress report of Grievance Redressal Committees (i.e. both District and Block level) in DISHA.

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### **Comments of the Committee**

For comments of the Committee please refer to Para No.1.16 of Chapter I of this Report.

## **CHAPTER - V**

### **OBSERVATIONS/ RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED**

#### **Recommendation Serial No. 2**

The Committee have been informed by the Department that a Study to explore Alternate Risk Measures for High Risk Areas/Crops has been allotted to the National Rainfed Area Authority (NRAA) and further action in the matter would be taken on receipt of the final Report from the Authority. The Committee, therefore, desire the Department to expedite submission of the Report by NRAA and also apprise the Committee about the findings of the Study of the NRAA in the matter.

#### **REPLY OF THE GOVERNMENT**

Due to the COVID Pandemic in the country, the NRAA was not able to finalise the study in time. Therefore, in the meeting of the Expert Committee constituted to look into the study, experts added many more points which needed more focused analysis other than that mentioned in the TOR of the study. Accordingly, two Technical sub-groups to make the study more effective and broad under given ToR have been constituted by NRAA. Draft Report in the matter will be submitted shortly and the report will be discussed with the major stakeholders.

[Ministry of Agriculture and Farmers Welfare  
(Department of Agriculture and Farmers Welfare)  
No. 18012/01/2020-Credit II (FTS 79981), Dated 24.01.2022]

**NEW DELHI;**  
**08 August, 2022**  
**17 Shrawana, 1944 (Saka)**

**P.C. GADDIGOUDAR**  
**Chairperson**  
**Standing Committee on Agriculture, Animal**  
**Husbandry and Food Processing.**

**Standing Committee on Agriculture, Animal Husbandry and Food Processing  
(2021-22)**

**Minutes of the Twenty-Third Sitting of the Committee**

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The Committee sat on Monday, the 08<sup>th</sup> August, 2022 from 1500 hrs. to 1610 hrs. in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

***Present***

Shri P. C. Gaddigoudar – Chairperson

***Members  
Lok Sabha***

2. Shri Afzal Ansari
3. Shri Horen Singh Bey
4. Shri Devendra Singh 'Bhole'
5. Shri A. Ganeshamurthi
6. Shri Abu Taher Khan
7. Shri Mohan Mandavi
8. Smt. Shardaben Anilbhai Patel
9. Shri Virendra Singh

***Rajya Sabha***

10. Smt. Ramilaben Becharbhai Bara
11. Shri Kailash Soni
12. Shri Ram Nath Thakur

**Secretariat**

- |    |                        |   |                      |
|----|------------------------|---|----------------------|
| 1. | Shri Shiv Kumar        | – | Additional Secretary |
| 2. | Shri Sundar Prasad Das | – | Director             |
| 3. | Shri Anil Kumar        | – | Deputy Secretary     |
| 4. | Shri Prem Ranjan       | – | Deputy Secretary     |

2. At the outset, the Chairperson welcomed the Members to the Sitting of the Committee. Thereafter, the Committee took up for consideration the followings Reports:

(i) Draft Report on Action Taken by the Government on the Observations/Recommendations contained in the 29<sup>th</sup> Report of the Committee on the Subject 'Pradhan Mantri Fasal Bima Yojana - An Evaluation' pertaining to the Ministry of Agriculture and Farmers Welfare (Department of Agriculture and Farmers Welfare)

\* (ii) XXXX XXXX XXXX XXXX XXXX

3. After some deliberations, the Committee adopted the Draft Action Taken Reports without any modifications and the Committee authorized the Chairperson to finalize and present these Reports to Parliament.

\* 4. XXXX XXXX XXXX XXXX XXXX

\* 5. XXXX XXXX XXXX XXXX XXXX

\* 6. XXXX XXXX XXXX XXXX XXXX

***The Committee then adjourned.***

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\* Matter not related to this Report

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE  
OBSERVATIONS/RECOMMENDATIONS CONTAINED IN  
THE TWENTY NINTH REPORT (17<sup>th</sup> LOK SABHA) OF  
STANDING COMMITTEE ON AGRICULTURE (2020-21)  
(Vide Para 4 of Introduction of the Report)

(i)	Total number of Recommendations	14
(ii)	Recommendations/Observations which have been Accepted by the Government Para Nos. 1, 3, 4, 6, 10, 11, 12 and 14	
	Total	08
	Percentage	57.14%
(iii)	Recommendations/Observations which the Committee Do not desire to pursue in view of the Government's replies Para No. 13	
	Total	01
	Percentage	07.14%
(iv)	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee Para Nos. 5, 7, 8 and 9	
	Total	04
	Percentage	28.57%
(v)	Recommendations/Observations in respect of which Final replies of the Government are still awaited Para Nos. 2	
	Total	01
	Percentage	07.14%