

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

STARRED QUESTION NO:499  
ANSWERED ON:29.04.2002  
PREMIUM RATE OF SUGARCANE UNDER NAIS  
NARESH KUMAR PUGLIA

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether the premium rate of sugarcane under the National Agricultural Insurance Scheme (NAIS) has been fixed at 2.5%;
- (b) if so, whether due to this high premium rate, sugarcane growers are reluctant to participate in the insurance scheme;
- (c) if so, the details thereof;
- (d) whether various States particularly Maharashtra has requested the Union Government to reduce the said premium rate;
- (e) if so, the details thereof, State-wise; and
- (f) the reaction of the Union Government thereto?

**Answer**

MINISTER OF AGRICULTURE (SHRI AJIT SINGH)

(a) to (f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO.499 DUE FOR REPLY ON 29TH APRIL, 2002.

(a): No, Sir. As per provision of the scheme, actuarial premium rates are charged for sugarcane crop which may vary from State to State and year to year. During Kharif 2000 and 2001 seasons, these rates ranged from 1% to 2.3%.

(b)&(c): Some references from State Government of Maharashtra have been received regarding high rate of premium for sugarcane crop in Maharashtra.

(d)&(e): Yes, Sir. Request for reducing the premium rates for sugarcane crop by 0.5% for Kharif 2001 was received from Maharashtra.

(f): Actuarial premium rates are worked out by the Implementing Agency on the basis of standard methodology of premium rating. Therefore, premium rates so calculated can not be altered on the request of a particular State.