

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

RAJYA SABHA
UNSTARRED QUESTION NO-1307
TO BE ANSWERED ON THE 02/08/2024

INCREASE IN LIMIT OF LOSS ON COMMODITY SALES UNDER MIS

1307. Shri Chunnilal Garasiya :

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

- (a) Whether Government proposes to increase the maximum limit of the loss to be borne proportionately by Central Government and State Government from 25 per cent to 50 per cent on the sale of goods purchased at cost price under the Market Intervention Scheme (MIS);
- (b) if so, the targeted date for such increase; and
- (c) if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

(SHRI RAMNATH THAKUR)

(a) to (c) : Government implements Market Intervention Scheme (MIS) for procurement of perishable horticultural / agricultural commodities in order to provide remunerative price to farmers. The objective of intervention is to protect the growers of these commodities from making distress sale in the event of a bumper crop during the peak arrival period when either at least 10 percent decrease in ruling market prices over the previous normal year or 10 percent increase in production over the previous normal year. MIS is implemented at the request of a State Government / UT which is ready to bear 50 percent of the loss (25 percent in case of North-Eastern States), if any, incurred on its implementation. The extent of total amount of loss to be shared between the Central Government and the State Government is restricted to 25 percent of the total procurement value which includes cost of the commodity procured plus permitted overhead expenses. Under the Scheme, in accordance with MIS guidelines, a pre-determined quantity at the fixed Market Intervention Price (MIP) is procured by the agencies designated by the State Government for a fixed period or till the prices are stabilized above the MIP whichever is earlier.
