

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:295
ANSWERED ON:23.08.2011
MARKET INTERVENTION SCHEME
Rajendran Shri C.

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has undertaken any study to assess the impact of the Market Intervention Scheme (MIS) on the farmers of the country;
- (b) if so, the details and the outcome thereof; and
- (c) the measures being taken to improve the scheme for the benefit of the farmers?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 295 DUE FOR REPLY ON 23RD AUGUST, 2011.

(a) to (c): A study on MIS was conducted by National Council of Applied Economic Research (NCAER), inter-alia, to assess the size of operation, and overall performance of MIS; suggest measures to minimize losses; and make recommendations to improve the scheme. The NCAER submitted its report in March, 1999. It inter-alia recommended that (i) Market Intervention Price (MIP) should be fixed based on the cost of production;(ii) Overhead expenses should not exceed 25 to 30% of the disposal price;(iii) The disposal price should be at least at the level of MIP (iv) MIS should not be taken for granted as a permanent relief measure. A Working Group was also constituted on 13.7.2000 to examine the issue which submitted its report on 20.03.2001. Based on the recommendations of NCAER/Working Group, MIS was revised and came into effect on 30.7.2001. The Government has so far approved 67 proposals in 15 States under MIS. The Government takes prompt action on the proposals of State Governments under the scheme with the aim to protect the interest of farmers by providing remunerative prices for their produce.