

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:543
ANSWERED ON:15.05.2012
COMMODITIES UNDER MIS
Sugumar Shri K.

Will the Minister of AGRICULTURE be pleased to state:

- (a) the various commodities included under the Market Intervention Scheme (MIS) at present and the criteria being applied for deciding such commodities for inclusion;
- (b) the criteria followed by the Government in arriving at a decision to fix the minimum support price for copra;
- (c) whether there is a demand to increase the support price of copra;
- (d) if so, the details thereof and the final decision taken/likely to be taken by the Government in this regard;
- (e) whether the Government proposes to include coconut/copra in the list of commodities under MIS; and
- (f) if so, the details thereof?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(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. 543 DUE FOR REPLY ON 15TH MAY, 2012.

(a) to (f): The Market Intervention Scheme (MIS) provides for procurement of agricultural and horticultural commodities which are generally perishable in nature and not covered under Price Support Scheme (PSS). Since 2001, MIS has been implemented for onion, apple, malta, ginger, chilli, passion fruit, potato, chow-chow, oil-palm, arecanut, orange, turmeric, coriander seed, cumin seed, hatkora, black pepper and garlic. As copra is covered under PSS, the question of its inclusion under MIS, does not arise.

Government's Price Policy for Copra seeks to ensure remunerative prices to copra growers for their produce with a view to encourage higher investment and production and to safeguard the interest of consumers by making available supplies at reasonable prices. Government fixes Minimum Support Price (MSP) for major agricultural commodities taking into account the recommendation of the Commission for Agricultural Costs and Prices (CACP), the views of State Governments and other important factors considered relevant for fixing the MSP. The factors considered by the CACP for fixation of the MSP include:-

- (i) Cost of Production;
- (ii) Changes in input prices;
- (iii) Input / Output price parity;
- (iv) Trends in market prices;
- (v) Demand and supply situation;
- (vi) Inter-crop price parity;
- (vii) Effect on industrial cost structure;
- (viii) Effect on general price level;
- (ix) Effect on cost of living;
- (x) International market price situation; and
- (xi) Parity between prices paid and prices received by farmers (terms of trade).

Some of the State Governments like Kerala, Karnataka, Tamil Nadu and Andhra Pradesh had demanded higher MSP for copra for 2012 season as per following details:-

(Rupees per Quintal)

State	MSP (Milling Copra)	MSP (Ball Copra)
Andhra Pradesh	5525 (with 10% wrinkles)	5175 (with 30% wrinkles)
Kerala	5750	6230
Karnataka	5100	8629
Tamil Nadu	5500	6000

These recommendations of the State Governments were taken into account for deciding the Price Policy for Copra for 2012 season and the Government has fixed the MSP for Copra for 2012 season at Rs. 5100/Quintal for FAQ variety of milling copra and Rs. 5350/Quintal for FAQ variety of ball copra providing adequate margin over and above its all-India weighted average cost of production.