

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:423
ANSWERED ON:26.02.2013
PROCUREMENT UNDER MIS
Rajendran Shri C.

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Union Government allocates funds to different States for procuring agricultural and horticultural commodities under the Market Intervention Scheme (MIS);
- (b) if so, the details thereof along with the funds allocated to various States during each of the last three years, State-wise;
- (c) the details of the criteria for allocating such funds to the States;
- (d) whether the Union Government has any monitoring mechanism to find out the utilisation of such funds; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (SHRI TARIQ ANWAR)

(a) to (e) Under Market Intervention Scheme (MIS), the Government reimburses the losses to the extent of 25% of the procurement cost on 50:50 basis with the States (75:25 for North Eastern areas) for procurement of agriculture and horticultural commodities generally perishable in nature and not covered under the Price Support Scheme (PSS). During the last three years the Government has reimbursed the losses incurred to the State Governments / State agencies on implementation of MIS, as per the following details:

Year State Govt./agencies Commodity Amount (Rs. in crores)

2009-10 Mizoram Iskut (chow-chow) 0.66

2010-11 Himachal Pradesh Apple 1.90

2011-12 Andhra Pradesh Oil Palm 1.66

On the request of State Governments / Union Territories for procurement of agricultural / horticultural commodities generally perishable in nature and not covered under the Price Support Scheme (PSS), the procurement is made by the Central Agencies / State Agencies to avoid distress sale by the farmers and to ensure the prices of these commodities up to the level of their cost of production.