

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

RAJYA SABHA
STARRED QUESTION NO. 186
TO BE ANSWERED ON THE 17/03/2023

REDUCTION IN BUDGET ALLOCATION FOR MIS

*186. MS. DOLA SEN :

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

- (a) the reasons for the reduction of budget allocation to the Market Intervention Scheme (MIS) from Rs. 1,500 crore to Rs. 1 lakh only;
- (b) whether Government has plans to provide remunerative prices to farmers in case of excess production and a fall in prices;
- (c) if so, the details of the said plan, along with clarity on set deliverables and outcomes;
- (d) the details of estimated timelines for plan implementation and list of tentative achievements; and
- (e) if not, the reasons therefor?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI NARENDRA SINGH TOMAR)

(a) to (e): A statement is laid on the table of the House.

STATEMENT IN RESPECT OF PARTS (a) TO (e) OF THE RAJYA SABHA STARRED QUESTION NO. 186 FOR 17/03/2023 REGARDING REDUCTION IN BUDGET ALLOCATION FOR MIS.

(a): Government has initiated the process of formulating a combined scheme for price support and buffer management by combining Price Support Scheme (PSS) & Price Stabilization Fund (PSF). Accordingly, the provisional/token allocations of budget estimates for financial year 2023-24 of Rs. 1 lakh has been made under the heads of MIS/PSS. The above allocation is meant for meeting the losses incurred in undertaking the operations and indicative in nature which gets revised as per the actual requirement after the final formulation of combined scheme of PSS & PSF. Hence, the budget provision for MIS & PSS has not been reduced.

Market Intervention Scheme (MIS) and Price Support Scheme (PSS) are being implemented for over many decades in order to provide remunerative price to the farmers. Hence, budget head of accounts of MIS and PSS has been the same since inception of these schemes. PSS is implemented for procurement of notified pulses, oilseeds & copra at Minimum Support Price (MSP) whereas MIS is implemented for procurement of perishable agricultural / horticultural crops for which MSP is not announced. PSS is implemented by designated Central Nodal Agencies and MIS is implemented by State designated agencies. Under both PSS & MIS, reimbursement of losses incurred in undertaking the operations are made to the Central Nodal agencies and State designated agencies respectively.

Under PSS, a quantity of 198,43,720 MT of notified pulses and oilseeds was procured at MSP value of Rs, 98904.12 crore benefitting more than 108.23 lakh farmers from 2014-15 to 2022-23. Similarly, sanctions were accorded under MIS for procurement of 43,38,622 MT of various commodities like garlic, onion, apple, potato & mango from 2018-19 to 2022-23.

Under PSS, Government has provided Government Guarantee amounting to Rs. 40,500/- cr. for extending cash credit facilities to Central Nodal Agencies for making payment of MSP value to farmers and other incidental costs involved in the PSS operations. Under MIS, concerned State Govt. / Union Territory provides capital funds to state designated agencies for making payment to farmers and other incidental costs involved in the operation.

(b) to (e): Government implements Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA) for providing Minimum Support Price (MSP) to farmers for their produce of

notified oilseeds, pulses and copra of Fair Average Quality (FAQ). PM-AASHA is an umbrella scheme comprising Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS) and Private Procurement & Stockist Scheme (PPSS). These schemes are implemented at the request of the State Governments / Union Territories.

Government extends price support for paddy and wheat through the Food Corporation of India (FCI) and State Agencies. Under this policy, whatever food grains are offered by farmers within the stipulated period & conforming to the specifications prescribed by Government are purchased at Minimum Support Price (MSP) by the State Government agencies including FCI for Central Pool. Further, different types of nutri-cereals and maize are procured by State Governments itself in consultation with FCI to the extent that the concerned State Government may utilise the same for distribution under Targeted Public Distribution System (TPDS) as well as Other Welfare Schemes (OWS). Cotton and Jute are procured at MSP through Cotton Corporation of India (CCI) and Jute Corporation of India (JCI) respectively.

Besides, Government also extends remunerative prices to the farmers through Market Intervention Scheme (MIS), on the request of concerned State Governments / Union Territories by making procurement of perishable agriculture / horticulture crops through designated agencies directly from farmers as prescribed in the Scheme Guidelines.
