Market Intervention Scheme (MIS)

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It is a price support mechanism implemented on the request of State Governments for procurement of perishable and horticultural commodities in the event of a fall in market prices

Key features

- MIS is implemented when there is at least 10% increase in production or 10% decrease in the ruling rates over the previous normal year.
- The objective is to protect the growers of these horticultural/agricultural commodities from making distress sale in the event of the bumper crop during the peak arrival period when prices fall to a very low level.
- It provides remunerative prices to the farmers in case of a glut in production and a fall in prices.
- Proposal of MIS is approved on the specific request of State/Union Territory (UT) Government, if the State/UT Government is ready to bear 50% loss (25% in the case of North-Eastern States), if any, incurred on its implementation. Further, the extent of the total amount of loss shared is restricted to 25% of the total procurement value which includes the cost of the commodity procured plus permitted overhead expenses.

Commodities under the scheme

The MIS has been implemented in case of commodities like apples, malta, garlic, oranges, grapes, mushrooms, clove, black pepper, pineapple, ginger, red chillies, coriander seed, isabgol, chicory, onions, potatoes, cabbage, mustard seed, castor seed, copra, palm oil etc. in the States of Himachal Pradesh, Haryana, Punjab, Andhra Pradesh, Maharashtra, Karnataka, Rajasthan, Gujarat, Kerala, Jammu and Kashmir, Mizoram, Sikkim, Meghalaya, Tripura, Uttar Pradesh, West Bengal, Madhya Pradesh, Andaman and Nicobar Islands, Lakshadweep etc.

Implementation of the scheme

It is being implemented by the Department of Agriculture & Cooperation

Funding

- Under the scheme, funds are not allocated to the States.
- Instead, the central share of losses as per the guidelines of MIS is released to the State Governments/UTs, for which MIS has been approved, based on specific proposals received from them.