

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:3529  
ANSWERED ON:15.05.2006  
IMPLEMENTATION OF SUPPORT PRICE AND MARKET INTERVENTION  
Adhalrao Patil Shri Shivaji

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether the Government is implementing support price scheme and market intervention schemes for procurement of agricultural and horticultural commodities;
- (b) if so, the details thereof; and
- (c) the total amount of money spent on these schemes during the last three years and the current year, year-wise, State-wise and commodity-wise?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a)&(b): Yes Sir. The main objective of price policy for agricultural produce is to ensure remunerative prices to the growers for their produce. With a view to encourage higher investment and production, and to safeguard the interests of consumers by making available supplies at reasonable prices, Government announces each season Minimum Support Prices (MSPs) for major agricultural commodities and organizes purchase operations through public and cooperative agencies for procurement of commodities for which MSP has been announced.

In order to protect the growers of horticultural commodities and perishable agricultural commodities from distress sales in the event of bumper crop, the Government implements the Market Intervention Scheme (MIS). MIS is implemented for a particular commodity on the request of the State Government. Losses if any, incurred by the procuring agencies are shared between the Central Government and the concerned State Government on the 50:50 basis (75:25 in case of North-Eastern States). The amount of loss to be shared between the Central Government and the concerned State Government is restricted to 25 percent of the procurement cost.

(c): The amount of subsidy released on foodgrains and amount released to Jute Corporation of India (JCI) and Cotton Corporation of India (CCI) during the last three years is indicated below:

(Rs. In Crore)

Year	Food Subsidy to JCI	Money Released	Money Released to CCI
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2003-04	25160.00	30.00	-
2004-05	25746.00	30.00	30.00
2005-06	23071.00	30.00	285.67

The amount spent on Price Support Scheme by Central Government on reimbursement of losses to NAFED on procurement of oilseeds and pulses and Central Government share of loss under Market Intervention Scheme is given in the enclosed statements (Annexure I & II).

Annexure I

Amount Spent by Central Government on Reimbursement of Losses to NAFED on procurement of Oilseeds & Pulses

Year Commodity Amount (Rs. in lakhs )#

2003-04	Urad	(-)5710.24
	Moong	(-)73.75

2004-05 Gram (-)6119.71  
 Mustard Seed (-)276.44  
 Sunflower Seed (-)31.69  
 Safflower Seed (-)2.32  
 Groundnut 9.64  
 2005-06 Mustard Seed (-)124280.00  
 Toria (-)0.56  
 Safflower Seed (-)1729.23  
 Gram (-)142.65  
 Masur (-)11.16  
 Sesamum Seed (-)45.00  
 Cotton (-)346.76  
 Groundnut (-)15.96  
 Copra (-)239.26  
 Sunflower Seed (-)9.42  
 Soyabean (-)8.74

**# Claims of NAFED.**

**Annexure-II**

**Central Government Share of Loss Under Market Intervention Scheme**

Year Commodity State Amount (Rs.in lakhs)

2003-04 Ginger Mizoram 140.63  
 Potato West Bengal 62.50  
 Chillies Andhra Pradesh 1242.00  
 Potato Uttar Pradesh 292.52  
 Orange Rajasthan 19.06  
 Corriander Seed Rajasthan 45.30  
 Cumin Seed Rajasthan 162.50  
 2004-05 Ginger Mizoram 144.15  
 Onion Rajasthan 21.87  
 Hatkora Mizoram 14.86  
 Apples `C` Grade Himachal Pradesh 203.12  
 Apples `C` Grade Jammu & Kashmir 210.93  
 Black Pepper Kerala 1010.00  
 Chillies Andhra Pradesh 1071.21  
 2005-06 Garlic Rajasthan 21.87  
 Onion Rajasthan 19.53  
 Apples `C` Grade Himachal Pradesh 663.75  
 Apples `C` Grade Uttaranchal 53.57  
 Malta Uttaranchal 50.00  
 Hatkora Mizoram 7.82  
 Chillies Mizoram 8.20