

F. No. L-15016/33/2020-MPS(part)
Government of India
Ministry of Agriculture & Farmers Welfare
Department of Agriculture, Cooperation & Farmers Welfare
Cooperation Division

Krishi Bhawan, New Delhi
Dated the 9th April, 2020

Circular

This circular is issued in reference to the video conference of Hon'ble Agriculture Minister with the all the States/UTs Agriculture Minister held on 8th April 2020. During the Video conference some states have express their concern of lower prices for perishable crops in their States. In this regard it is to inform you that, this department implements Market Intervention Scheme (MIS) to ensure remunerative prices for the perishable Agriculture and Horticulture crops.

2. Under Market Intervention Scheme (MIS), the procurement of agricultural and horticultural commodities which are perishable in nature and are not covered under the Price Support Scheme (PSS) are covered. The objective of intervention is to protect the growers of these commodities from making distress sale in the event of a bumper crop during the peak arrival period when the prices tend to fall below economic levels and cost of production. The condition is that there should be either at least a 10 percent increase in production or a 10 percent decrease in the ruling market prices over the previous normal year. The scheme is implemented at the request of a State/UT government which is ready to bear 50 percent of the loss (25 percent in case of North-Eastern States), if any, incurred on its implementation. The extent of total amount of loss to be shared on a 50:50 basis between the Central Government and the State Government is restricted to 25 percent of the total procurement value which includes cost of the commodity procured plus permitted overhead expenses. Under the scheme, in accordance with MIS guidelines, a pre-determined quantity at the fixed Market Intervention Price (MIP) is procured by the agencies designated by the State Government for a fixed period or till the prices are stabilized above the MIP whichever is earlier. The copy of MIS Guideline is enclosed herewith for ready reference. The copy of MIS guideline can also be downloaded from weblink, of <http://www.agricoop.nic.in/guidelines/cooperation>.



3. You are requested to send proposal to this department, if required, for implementation of the MIS in your State/ UT for the procurement of perishable agriculture or horticulture crops ,if the price has gone down in recent time.



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Director(MPS)

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Enclosure: - as above

Copy to: -

- a) All the Principal Secretary/ Agriculture Production Commissioners of Agriculture/ Cooperation/Horticulture / Marketing Department of the States /UTs.
- b) Joint Secretary(Horticulture) , DAC&FW