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# **AGRICULTURE PRODUCE PRICING POLICY**

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## **AGRICULTURE PRODUCE PRICING POLICY**

### **1. INTRODUCTION**

Agricultural Price Policy plays an important role in achieving growth and equity in the Indian economy in general, and the agriculture sector in particular. The major underlying objective of the Government's Price Policy is to protect both producers and consumers. Achieving food security at both the national and household levels is one of the major challenges in India today. Currently, the Food Security System and Price Policy basically consist of three instruments: Procurement Prices/Minimum Support Prices (MSPs), Buffer Stocks and the Public Distribution System (PDS). Agricultural Price Policy is one of the important instruments in achieving food security by improving production, employment and incomes of the farmers. There is a need to provide remunerative prices for farmers in order to maintain food security and increase the incomes of farmers<sup>1</sup>.

### **2. EVOLUTION OF AGRICULTURE PRICING POLICIES**

In India, the agriculture price policies and allied instruments were evolved in the pre-Independence era. The procurement and distribution of major food grains were started and statutory maximum prices were fixed, but were not strictly enforced. In the post-Independence era, the objective of achieving food security was linked with environment sustainability. The objective of the Government's price policy for agri-produce is to set remunerative prices with a view to encourage higher investment and production. Though the Government decided to purchase food grains at fixed prices, if market prices fell precipitously, but till 1954 there was no sharp decline in food prices.

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<sup>1</sup> Economic and Political Weekly, Vol. 26/27, June 2010, p. 174

The demand for food grains particularly rice and wheat, was on the increase from year to year as a result of growing population and rising incomes. Thus a trend had developed towards increased level of consumption as well as substitution of coarse grains like maize, jawar, etc. by wheat and rice. Consequently shortages even of a marginal nature used to persist and there was a steady upward trend in price levels to bring demand and supply into balance.

### **3. COMMISSION FOR AGRICULTURAL COSTS AND PRICES (CACP)**

Till 1964, procurement was confined to surplus States. It was extended to deficit States as well during the drought years and thereafter. In a situation of shortage or scarcity, unregulated purchase and movement of food grains by private trade led to indiscriminate and speculative rise in prices by movement of surpluses of the producing regions to areas of high purchasing power. To deal with that situation, the Government took a number of decisions. On 1 August, 1964, the Government appointed a Committee under the Chairmanship of Shri L.K. Jha, Secretary to the then Prime Minister on the determination of the prices of rice and wheat for the 1964-65 season.

Later on, the Committee was also asked to suggest prices of coarse food grains for the 1964-65 season.

The Committee submitted its report related to prices on 24 September, 1964 and in respect of the agency to advise on price policy and price structure on 24 December, 1964. Based on the recommendations of the Committee, the Agricultural Prices Commission (APC) was set up on 1 January 1965 with the basic objective of assuring fair prices for farm produce and to advise the Government on price policy of major agricultural commodities. The thrust of the policy in 1965 was to meet the overall needs of the

economy and with due regard to the interest of the producer and the consumer. At that point of time, the highest priority was to maximize production since the country was passing through a critical shortage of food grains. Perhaps the most significant aspect of the Price Support Mechanism had been the insulation of farmers against a decline in prices. When an overall balance between demand and supply was in sight in 1980, the APC's terms of reference, apart from other issues, also included for taking into account the changes in the Terms of Trade between agricultural and non-agricultural sectors. The Commission was renamed in 1985 as the Commission for Agricultural Costs and Prices (CACP)<sup>2</sup>.

The first and foremost mandate of CACP was to recommend Minimum Support Prices (MSP) with a view to make Indian agriculture a Remunerative Sector so that farmers would be incentivized to adopt modern technologies and better farming practices, raising productivity and overall production broadly in line with the emerging demand pattern<sup>3</sup>.

Assurance of a remunerative and stable price environment is considered very important for increasing agricultural production and productivity since the market place for agricultural produce tends to be inherently unstable, which often inflict undue losses on the growers, even when they adopt the best available technology package and produce efficiently. Towards this end, Minimum Support Prices (MSP) for major agricultural products are fixed by the Government, each year, after taking into account the recommendations of the Commission for Agricultural Costs and Prices (CACP).

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<sup>2</sup> 41<sup>st</sup> Report of Standing Committee on Agriculture (2007-08), 14<sup>th</sup> Lok Sabha, pp. 1-2

<sup>3</sup> Price Policy for Kharif Crops – The Marketing Season 2012-13, Commission for Agricultural Costs and Prices

While formulating these recommendations, the Commission analyses a wide spectrum of data, covering the costs of cultivation/production, trends and spread of input use, production and productivity of the crop concerned, market prices, both domestic and global inter-crop price parity, emerging supply-demand situation, procurement and distribution, terms of trade between agriculture and non-agriculture sectors, and so on. Since the price policy involves certain considerations of long-run consequences, the Commission also looks at the yield-raising research being conducted by institutions like Indian Council for Agricultural Research (ICAR). The basic data are generally collected from the Directorate of Economics and Statistics, State Governments, Central Ministries and the nodal agencies concerned with the implementation of agricultural price policy. Besides, the Commission undertakes field visits for close interaction with farmers in different parts of the country and also have wider consultation with senior officers, researchers and managers of relevant organizations.

### **Terms of Reference**

The terms of reference of the Commission for Agricultural Costs and Prices, were framed as under:-

1. To advise on the price policy of paddy, rice, wheat, jowar, bajra, maize, ragi, barley, gram, tur, moong, urad, sugarcane, groundnut, soyabean, sunflowerseed, rapeseed and mustard, cotton, jute, tobacco and such other commodities as the Government may indicate from time to time with a view to evolving a balanced and integrated price structure in the perspective of the overall needs of the economy and with due regard to the interests of the producer and the consumer.
2. To take into account the changes in terms of trade between agricultural and non agricultural sectors.
3. To examine, where necessary, the prevailing methods and cost of marketing of agricultural commodities in different regions, suggest measures to reduce costs of marketing and recommend fair price margins for different stages of marketing.

4. To keep under review the developing price situation and to make appropriate recommendations, as and when necessary, within the framework of the overall price policy.
5. To undertake studies in respect of different crops as may be prescribed by the Government from time to time.
6. To advise on any problems relating to agricultural prices and production that may be referred to it by the Government from time to time.

From time to time, the terms of reference of the Commission have been modified and expanded to keep in line with the changes in agricultural scenario of the country. From the year 1994-95 onwards, Niger-seed and Sesamum were included under the Minimum Support Price (MSP) Scheme of CACP, in addition to the edible oilseeds already covered by the Commission. Similarly, during 2001-2002, the Government enhanced the terms of reference of the Commission by including one additional commodity, namely, lentil (masur). The number of crops covered by the MSP scheme have thus increased to 25<sup>4</sup>.

#### **4. MINIMUM SUPPORT PRICE**

In each season the Government used to announce the Minimum Support Prices (MSPs) for major agricultural commodities and organizes purchase operations, wherever required, through public, cooperative, and other designated agencies to ensure that prices do not fall below that level. It decides on the support prices for various agricultural commodities taking into account the recommendations of the Commission for Agricultural Costs and Prices (CACP), the views of State Governments and Central Ministries as well as such other relevant factors as are considered important for fixation of support prices.

The MSP is announced well ahead of the sowing season so that farmers can take informed decisions on cropping<sup>5</sup>.

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<sup>4</sup> <http://cacp.dacnet.nic.in/>

<sup>5</sup> Planning Commission, Economic Survey 2012-13, p. 180

## **5. DETERMINATION OF MINIMUM SUPPORT PRICES**

In formulating the recommendations in respect of the level of Minimum Support Prices and other non-price measures, the Commission takes into account, apart from a comprehensive view of the entire structure of the economy of a particular commodity or group of commodities, the following factors:

- i) Cost of production
- ii) Changes in input prices
- iii) Input-output price parity
- iv) Trends in market prices
- v) Demand and supply
- vi) Inter-crop price parity
- vii) Effect on industrial cost structure
- viii) Effect on cost of living
- ix) Effect on general price level
- x) International price situation
- xi) Parity between prices paid and prices received by the farmers.
- xii) Effect on issue prices and implications for subsidy

The estimates of Cost of Cultivation/Cost of Production, an important input for forming the recommendation of MSP, are made available to the Commission through the Comprehensive Scheme for Studying the Cost of Cultivation of Principal Crops, operated by the Directorate of Economics and Statistics, Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India. These estimates take into account real factors of production and include all actual expenses in cash and kind incurred by the farmer in production, rent paid for leased in land, imputed value of family labour, interest value of owned capital assets (excluding land), rental value of owned land

(net of land revenue), depreciation on farm implements and buildings and other miscellaneous expenses<sup>6</sup>.

## 6. IMPACT OF HIKE IN MINIMUM SUPPORT PRICE ON THE WHOLE SALE PRICE INDEX

Minimum Support Price declared before every cropping season is based on cost of cultivation calculated by CACP. The MSP gets revised upward every year however the magnitude of increase can vary and sometimes varies substantially.

**Minimum Support Price and Whole Sale Price Index (I)**

Year	Wheat						Rice					
	MSP*	Annual % change in MSP	Change % with base year 2005-06	WPI <sup>^</sup>	Annual % change in WPI	Change % with base year 2005-06	MSP	Annual % change in MSP	Change % with base year 2005-06	WPI	Annual % change in WPI	Change % with base year 2005-06
2005-06	650	-	-	105	-	-	570	-	-	105	-	-
2006-07	750	15.38	15.38	125	19.05	19.05	580	1.75	1.75	110	4.76	4.76
2007-08	1000	33.33	53.85	134	7.2	27.62	645	11.21	13.16	122	10.91	16.19
2008-09	1080	8	66.15	148	10.45	40.95	850	31.78	49.12	141	15.57	34.29
2009-10	1100	1.85	69.23	166	12.11	58.10	950	11.76	66.67	158	12.06	50.48
2010-11	1170	6.36	80	171	3.01	62.86	1000	5.26	75.44	167	5.70	59.05
2011-12	1285	9.83	97.69	168	-1.75	60	1080	8	89.47	172	2.99	63.81

\*Source: [www.rbi.org.in](http://www.rbi.org.in)  
<sup>^</sup> Source: India. Planning Commission, Economic Survey 2012-13, Annexure A 67-68

**Annual Average Percentage Increase in MSP and WPI (II)  
(2006-2012)**

Commodity	MSP	WPI
Rice	12.53	8.35
Wheat	11.62	8.66

There was a substantial increase in the MSP of wheat by 15.38 per cent and 33 per cent in 2006-07 and 2007-08 respectively, while the Whole Sale Price Index for wheat was increased only by 19.05 per cent and 7.2 per cent respectively. The MSP of wheat was

<sup>6</sup> <http://cacp.dacnet.nic.in/>



increased by more than 97 per cent between 2005-06 (Rs.650) and 2011-12 (Rs. 1,285) while the Whole Sale Price Index was increased by approximately 60 per cent. As regard Rice, the MSP was increased from Rs.570 in 2005-06 to Rs.1,080 in 2011-12 with an increase of 89.47 per cent while the Whole Sale Price Index for rice for the same period was increased by 63.81 per cent. It is evident from the Table (I) above that increase in MSPs generally coincide with rise in their respective Whole Sale Price Indexes. But contrary to this a decline of 1.75 per cent was seen in Whole Sale Price Index of wheat between 2010-11 and 201-12 whereas the MSP was increased by 9.83 per cent.

There are different views on the co-relation between the Minimum Support Price and inflation of food articles. According to Monetary Policy Statement 2012-13 of Reserve Bank of India, price pressure from the Minimum Support Price continues to remain a major risk to inflation as the increase in the MSP tends to translate in to increase in the market price for most commodities.

According to Ms. Somya Kanti Ghose, Senior Fellow in International Council for Research on International Economic Relations (ICRIER) apart from direct impact of Minimum Support Prices increase on the Whole Sale Price Index, there is also an indirect impact. Increase in MSP acts as a floor to Whole Sale Price Inflation and thereby feeding into an expectation of an all – pervasive increase in food prices<sup>7</sup>.

## **7. MARKET INTERVENTIONS SCHEME**

The Department of Agriculture & Cooperation implements the Market Intervention Scheme (MIS) for procurement of horticultural commodities which are perishable in nature and are not covered under the Price Support Scheme. The objective of intervention is to

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<sup>7</sup> Financial Express, Delhi, dated 8.3.2013

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 Market Intervention Scheme (MIS) 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 a fixed Market Intervention Price (MIP) is procured by the National Agricultural Cooperative Marketing Federation (NAFED) as the Central agency and the agencies designated by the State Government for a fixed period or till the prices are stabilized above the MIP whichever is earlier. The area of operation is restricted to the concerned state only<sup>8</sup>.

## **8. PRICE SUPPORT SCHEME (PSS)**

The Price Support Scheme (PSS) is implemented by the Government of India to ensure a Minimum Support Price of the produce to the farmers. The Government has notified various agencies such as Food Corporation of India (FCI), NAFED, Central Warehousing Corporation (CWC), Small Farmers' Agri-business Consortium (SFAC), etc., for this purpose.

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<sup>8</sup> Ministry of Agriculture and Cooperation, State of Indian Agriculture 2012-13, p. 104

The Department of Agriculture and Cooperation implements the PSS for procurement of oil seeds, pulses and cotton, through NAFED which is the Central Nodal Agency, at the Minimum Support Price (MSP) declared by the Government. The NAFED undertakes procurement of oil seeds, pulses and cotton under the PSS as and when prices fall below the MSP. Procurement under PSS is continued till prices stabilize at or above the MSP. Losses, if any incurred by the NAFED in undertaking MSP operations are reimbursed by the Central Government. Profit, if any, earned in undertaking MSP operations is credited to the Central Government<sup>9</sup>.

## **9. AGRICULTURE MARKETING**

While production programmes are important to raise productivity and overall production in the country, it is equally important to have efficient agri-markets. This is critical to keep the cultivators incentivized in production. An efficiently functioning market enables the producers to get a better price for their produce while simultaneously it can make goods available to consumers at a lower price. This can normally be achieved by ensuring that agri-markets are well integrated and unified at national level, exports and imports are reasonably open, there is ample competition amongst buyers and sellers avoiding any monopsony, be it from the state or private players, the price discovery mechanisms are transparent, infrastructure is developed and modern, and intermediaries between the producers and consumers are minimized<sup>10</sup>.

Organised marketing of agricultural commodities has been promoted in the country through a network of regulated markets to ensure reasonable gains to the farmers and consumers by creating conducive market environment for fair play of the forces of demand

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<sup>9</sup> *Ibid*

<sup>10</sup> *op.cit.*, Price Policy for Kharif Crops, p. 15

and supply. There is huge variation in the density of regulated markets in different parts of the country, which varies from 103 sq km. in Punjab to 11215 sq km. in Meghalaya. Such low density of market spread in the States creates problem of market access for small and marginal farmers. Moreover, these state controlled/regulated markets do not have required facilities/amenities available therein due to resource constraint<sup>11</sup>.

To bring reforms in Agricultural marketing section, the Agriculture Produce Marketing Committee (APMC) Act 2003 was formulated and circulated to all States and Union Territories. So far, 16 State Governments have amended their respective APMC Act<sup>12</sup>.

In order to provide a higher share of consumer prices to the farmers, there is a need to reduce the multiple layers of intermediation by providing alternative marketing channels. Several States have taken the initiatives in this regard. Farmers' markets, like, '*Apni Mandi*' (Punjab), '*Kisan Mandi*' (Rajasthan), '*Hadaspur Vegetable Market*' (Pune), '*Rythu Bazaars*' (Andhra Pradesh), '*Uzhawar Santhai*' (Tamil Nadu) and '*Krushak Bazaars*' (Orissa) have been established as part of this initiative. These markets are beneficial to both farmers and consumers<sup>13</sup>.

## **10. OBSERVATIONS BY THE COMPTROLLER AND AUDITOR GENERAL**

The Comptroller and Auditor General (CAG) has observed that while determining the cost of production for each crop, CACP followed a set procedure. No specific norm was, however, followed for arriving and fixing of Minimum Support Price over the cost of production leading to large year on year variation. The difference of all India weighted

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<sup>11</sup> *op.cit.*, State of Indian Agriculture 2012-13, p. 108

<sup>12</sup> *Ibid*

<sup>13</sup> www.pib.nic.in dated 8 March 2013

average cost of production and the MSP fixed by the Government of India during the period 2006-07 to 2011-12 is given as under.

**Average weighted cost of production (C2 price) vis-à-vis MSP of wheat**

Crop Year	C2 Price (₹/qtl.)	MSP (₹ /qtl.)		Difference of MSP fixed over C2 (₹/qtl.)	Percentage of difference over C2
		CACP recommended MSP	Fixed by the GOI		
	(a)	(b)	(c)	(c-a)	
2006-07	542	650	650+50 @	158	29
2007-08	574	700	750+100@	276	48
2008-09	624	1,000	1,000	376	60
2009-10	649	1,080	1,080	431	66
2010-11	701	1,100	1,100	399	57
2011-12	826	1,120	1,120+50@	344	42

@ Additional incentive bonus

**Table 2.3**

**Average weighted cost of production (C2 price) vis-a-vis MSP of paddy (Grade A)**

Crop Year	C2 Price (₹/qtl.)	MSP (₹ /qtl.)		Difference of MSP fixed over C2 (₹/qtl.)	Percentage of difference over C2
		CACP recommended MSP	Fixed by the GOI		
	(a)	(b)	(c)	(c-a)	
2006-07	569	600	610+40 @	81	14
2007-08	595	675	675+100 @	180	30
2008-09	619	1,050	880+50 @	311	50
2009-10	645	980	980+50@	385	60
2010-11	742	1,030	1,030	288	39
2011-12	888	1,110	1,110	222	25

@ Additional incentive bonus

The margin of MSP fixed over the cost of production varied widely between 29 per cent and 66 per cent in case of wheat, and between 14 per cent and 60 per cent in case of paddy during the period 2006-07 to 2011-12<sup>14</sup>.

Cultivation costs vary widely from one region to another; they are usually far higher in States such as Punjab, Haryana and Andhra Pradesh due to higher wages, land value and input use. A uniform MSP across the country, therefore, leaves farmers in the surplus

<sup>14</sup> CAG Report No. 7 of 2013, Storage Management and Movement of Foodgrains in FCI, pp.22-23

generating intensive farming areas dissatisfied. Therefore, the market should play a more meaningful role in price determination<sup>15</sup>.

The Committee under the chairmanship of Ramesh Chand, Director of the National Centre for Agricultural Economics and Policy Research, has been asked to study the cost concepts of fixing MSP and to suggest whether there is a need to reposition CACP, owing to the liberalisation of Indian agriculture. The new Committee would consider whether the methods to determine the value of family labour, the rental value of land, the interest on capital, the depreciation of fixed assets, etc., - factors vital to calculating MSP – are appropriate. The Committee would have representatives from the State Governments of Andhra Pradesh, Uttar Pradesh, Farmers organisations and the Department of Economic Affairs<sup>16</sup>.

## **CONCLUSION**

The Government's Price Policy for agricultural produce seeks to ensure remunerative prices to growers for their produce with a view to encourage higher investment and production as well as safeguarding the interests of consumers by making available supplies at reasonable prices. The price policy also seeks to evolve a balanced and integrated price structure in the perspective of the overall needs of the economy. To achieve this end, the Government in each season announces Minimum Support Prices (MSPs) for major agricultural commodities and organizes purchase operations, wherever required, through public, cooperative, and other designated agencies to ensure that prices do not fall below that level. It decides on the support prices for various agricultural commodities taking into account the recommendations of the CACP, the views of State

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<sup>15</sup> *op.cit.*, *Business Standard* dated 19 May 2013

<sup>16</sup> *Business Standard*, New Delhi, dated 10 May 2013

Governments and Central Ministries as well as such other relevant factors as are considered important for fixation of support prices<sup>17</sup>.

The MSP being uniform throughout the country, the Commission had to arrive at an all-India weighted average cost as an input to price policy formulation. Since price policy was a resultant of informed judgement of various factors, there could not be any mechanical formula of how much weight was to be given to each factor in the exercise of price policy formulation. The margin of MSP over the cost of production varied widely and no norms had been prescribed for fixing the margin over the cost of production. Thus, there is a need for greater transparency in the method of arriving at MSP over the cost of production<sup>18</sup>.

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<sup>17</sup> *op.cit.* Economic Survey 2012-13, p. 180

<sup>18</sup> *op.cit.* CAG Report No. 7 of 2013, pp.23-24

**MINIMUM SUPPORT PRICES**

(According to Crop Year)

(As on 26.12.2012)

(Rs. per quintal)

Sl. No.	Commodity	Variety	2008-09	2009-10	2010-11	2011-12	(#) increase in		
							MSP 2011-12 over 2010-11	MSP 2012-13 over 2011-12	
<b>KHARIF CROPS</b>									
1	PADDY	Common	850\$	950\$	1000	1080	80(8.0)	1250	170(15.7)
		Grade 'A'	880\$	980\$	1030	1110	80(7.8)	1280	170(15.3)
2	JOWAR	Hybrid	840	840	880	980	100(11.4)	1500	520(53.1)
		Maldandi	860	860	900	1000	100(11.1)	1520	520(52.0)
3	BAJRA		840	840	880	980	100(11.4)	1175	195(19.9)
4	MAIZE		840	840	880	980	100(11.4)	1175	195(19.9)
5	RAGI		915	915	965	1050	85(8.8)	1500	450(42.8)
6	ARHAR(Tur)		2000	2300	3000¶	3200¶	200(6.7)	3850	650(20.3)
7	MOONG		2520	2760	3170¶	3500¶	330(10.4)	4400	900(25.7)
8	URAD		2520	2520	2900¶	3300¶	400(13.8)	4300	1000(30.3)
9	COTTON	Medium Staple	2500 <sup>a</sup>	2500 <sup>a</sup>	2500 <sup>a</sup>	2800 <sup>a</sup>	300(12.0)	3600	800(28.6)
		Long Staple	3000 <sup>aa</sup>	3000 <sup>aa</sup>	3000 <sup>aa</sup>	3300 <sup>aa</sup>	300(10.0)	3900	600(18.2)
10	GROUNDNUT IN SHELL		2100	2100	2300	2700	400(17.4)	3700	1000(37.0)
11	SUNFLOWER SEED		2215	2215	2350	2800	450(19.1)	3700	900(32.1)
12	SOYABEEN	Black	1350	1350	1400	1650	250(17.8)	2200	550(33.3)
		Yellow	1390	1390	1440	1690	250(17.4)	2240	550(32.5)
13	SESAMUM		2750	2850	2900	3400	500(17.2)	4200	800(23.5)
14	NIGERSEED		2405	2405	2450	2900	450(18.4)	3500	600(20.7)
<b>RABI CROPS</b>									
15	WHEAT		1080	1100	1120\$	1285	165(14.7)	1350	65(5.05)
16	BARLEY		680	750	780	980	200(25.6)	980	0(0.00)
17	GRAM		1730	1760	2100	2800	700(33.3)	3000	200(7.14)
18	MASUR (LENTIL)		1870	1870	2250	2800	550(24.4)	2900	100(3.57)
19	RAPESEED/MUSTARD		1830	1830	1850	2500	650(35.1)	3000	500(20.00)
20	SAFFLOWER		1650	1680	1800	2500	700(38.9)	2800	300(12.00)
21	TORIA		1735	1735	1780	2425	645(36.2)	2970	545(20.25)
<b>OTHER CROPS</b>									
22	COPRA	Milling	3660	4450	4450	4525	75(1.7)	5100	575(12.7)
	(Calender Year)	Ball	3910	4700	4700	4775	75(1.6)	5350	575(12.0)
23	DE-HUSKED COCONUT (Calender Year)		988	1200	1200	1200	0(0.0)	1400	200(16.7)
24	JUTE		1250	1375	1575	1675	100(6.3)	2200	525(31.3)
25	SUGARCANE		81.18	129.84 <sup>□</sup>	139.12 <sup>□</sup>	145.00 <sup>□</sup>	5.88(4.2)	170.00 <sup>□</sup>	25(17.2)

# Figures in brackets indicate percentage increase.

\$ An additional incentive bonus of Rs. 50 per quintal was payable over the Minimum Support Price(MSP).

<sup>a</sup> Staple length (mm) of 24.5 - 25.5 and Micronaire value of 4.3 - 5.1

<sup>aa</sup> Staple length (mm) of 29.5 - 30.5 and Micronaire value of 3.5 - 4.3

¶ Additional incentive at the rate of Rs. 500 per quintal of tur, urad and moong sold to procurement agencies is payable during the harvest/arrival period of two months.

□ Fair and remunerative price.

Source: <http://eands.dacnet.nic.in/msp/msp-26-12-2012.pdf>





