

DEPARTMENT OF AGRICULTURE & COOPERATION  
BACKGROUND NOTE FOR ECONOMIC EDITORS CONFERENCE  
3<sup>RD</sup>-4<sup>TH</sup> Nov., 2009

## 1. Agricultural Growth

1.1 Agriculture and allied sectors witnessed a growth of 2.5% during the 10<sup>th</sup> Plan. The sector has registered a growth of 6% in 2005-06, 4.0% in 2006-07, and 4.9% in 2007-08. However, there was a slowing down in agricultural growth in 2008-09 at 1.6 per cent. In the first quarter of 2009-10, agriculture and allied sectors recorded growth of 2.4% as against 3.0% in the corresponding quarter of previous year. Table below shows the plan-wise (from Third Plan) as well as year-wise growth rates achieved from 2002-03 to 2008-09:

### **Growth Rate in Agriculture and allied sectors**

(At constant 1999-2000 prices)

<b>Plan</b>	<b>Annual Growth Rate in Agriculture and allied sectors (%)</b>
<b>Third Plan (1961-66)</b>	-0.3
<b>Fourth Plan (1969-74)</b>	2.8
<b>Fifth Plan (1974-79)</b>	3.6
<b>Sixth Plan (1980-85)</b>	5.7
<b>Seventh Plan (1985-90)</b>	3.1
<b>Eighth Plan (1992-97)</b>	4.7
<b>Ninth Plan (1997-02)</b>	2.1
<b>Tenth Plan (2002-07)</b>	2.5
<b>2002-03</b>	-7.2
<b>2003-04</b>	10.0
<b>2004-05</b>	0.0
<b>2005-06</b>	6.0
<b>2006-07</b>	3.8
<b>Eleventh Plan(2007-12)</b>	
<b>2007-08</b>	4.5
<b>2008-09</b>	1.6

Source: Central Statistical Organization ,

## 1.2 Gross Capital Formation in Agriculture and allied Sectors

The Gross Capital Formation (GCF) in agriculture as a proportion to the total GDP has shown a decline. However, the GCF in agriculture relative to GDP in this sector has shown an improvement from 11.23 per cent in 1999-2000 to 14.24 percent in 2007-2008. This investment would need to be increased to about 16% of agricultural GDP to achieve 4% agricultural growth target during Eleventh Plan.

While efforts are on to increase public investment, encouragement to enhance private investment is expected to fill the gap. Table II below shows the Gross Capital Formation (GCF) in agriculture vis-à-vis GDP over the years.

### 1.3 Plan Outlay

The Plan outlay for the Department of Agriculture has been raised to Rs. 11,307 crore in 2009-10 from the level of Rs. 10,106 crore in 2008-09 which is an increase of 11.9 percent. The plan outlays for the agriculture & allied sector have also increased substantially in the State Plans, partly as a result of the introduction of Rashtriya Krishi Vikas Yojna (RKVY) which incentivises States to increase the percentage share of State Plan expenditure in agriculture & allied sector. It is important to note that in recent years there has been an increase in the gross capital formation in agriculture as a proportion of agriculture GDP (at constant 1999-2000 prices) from 11.1 percent in 2003-04 to 13.4 percent in 2006-07. Credit flow to the agriculture sector has been targeted at Rs. 3,25,000 crore during 2009-10 compared to Rs. 2,80,000 crore during 2008-09.

**Table II: - Gross Capital Formation (GCF) in Agriculture at 1999-2000 Prices (Rs. Crore)**

Year	GDP	Agriculture and Allied activities		GCF/GDP in Agriculture and Allied (in %)	GCF in Agri as % of total GDP
		GCF	GDP		
	1	2	3	4	5
1999-2000	1786525	50151	446515	11.23	2.81
2000-01	1864300	45480	445403	10.21	2.44
2001-02	1972605	56979	473249	12.04	2.89
2002-03	2048287	55668	438966	12.68	2.72
2003-04	2222759	53542	482676	11.09	2.41
2004-05	2388768	57849	482446	11.99	2.42
2005-06	2616101	66065	511013	12.93	2.53
2006-07	2871120	73285	531315	13.79	2.55
2007-08	3129717	79328	557122	14.24	2.53

## 1.4 Agricultural Production

The production of foodgrains during 2008-09 increased to an all-time high of 233.88 million tonnes (4<sup>th</sup> advance estimates) comprising 117.70 million tonnes of kharif foodgrains and 116.18 million tonnes of rabi foodgrains. The production of kharif foodgrains in 2008-09 is expected to be 3.26 million tonnes less compared to the kharif foodgrains production of 120.96 million tonnes during 2007-08. However, the loss in kharif food grains production has been more than compensated by increased production of rabi foodgrains during 2008-09 estimated at 116.18 million tonnes as against 109.83 million tonnes during 2007-08. The production of cereals is expected to be 219.21 million tonnes as against 216.02 million tonnes in 2007-08 (final estimates). The production of pulses is expected to decrease by 0.1 million tonnes. In case of wheat and rice, the estimated production in 2008-09 at 80.58 million tonnes and 99.15 million tonnes respectively, is an all time high. Production of oilseeds is expected to decrease from 29.76 million tonnes in 2007-08 to 28.16 million tonnes in 2008-09 largely due to decrease in production of groundnut and soyabean.

### All India Area, Production and Yield of Major Crops

Crops	Area(lakh hectare)			Production (million tonnes)			Yield(kg/hectare)		
	2006-07	2007-08	2008-09*	2006-07	2007-08	2008-09*	2006-07	2007-08	2008-09*
Foodgrains	1237	1241	1232	217	231	234	1756	1860	1898
Oilseeds	265	267	275	24	30	28	916	1115	1026
Sugarcane	52	51	44	356	348	274	69022	68877	62321
Cotton@	91	94	94	23	26	23	421	467	419

\*4<sup>th</sup> Advance Estimates as on 21.07.2009

@ Production in Million Bales of 180 Kg.

### Outlook (Kharif 2009-10)

1.5 The agricultural output depends on monsoon as about 60% of net sown area is rainfed. The cumulative rainfall reported for the country as a whole during 1<sup>st</sup> June, 2009 – 30th September, 2009 (Monsoon Season) was around 689.8 mm which is 23% below the Long Period Average (LPA). Out of 36 met sub-divisions 13 received

excess/normal and 23 received deficient rainfall. Rainfall (as % departure from LPA) reported in the broad geographical divisions of the country during the above period was (-) 36% in the North-West India, (-) 20% in Central India, (-) 4% in South Peninsula and (-) 27% in North-East India. Rainfall was excess in 9%, normal in 32%, deficient in 51% and scanty in 8% of the total districts of the country.

1.6 The delayed/deficient monsoon rainfall coupled with its erratic distribution over various parts of the country and North-West India in particular has had an adverse impact on the production of kharif crops during 2009-10. Major shortfall in area coverage was around 54 lakh hectares under rice, 3.5 lakh hectares under coarse cereals and 16.5 lakh hectares under oilseeds. Besides the area loss, some of the States are also experiencing productivity loss, due to erratic rainfall. Preliminary estimates suggest that compared to last year; the production of kharif rice, coarse cereals and oilseeds may decline significantly. The major shortfall in production of kharif crops is likely in the States of UP, Rajasthan, Andhra Pradesh, Jharkhand, Bihar, Karnataka and Madhya Pradesh.

### **Drought Management**

1.7 Twelve State Governments namely Andhra Pradesh, Assam, Bihar, Himachal Pradesh, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Nagaland, Rajasthan and Uttar Pradesh have declared 300 districts as drought affected and submitted Memorandum for assistance from the NCCF for drought relief. Inter-Ministerial Central Teams (IMCTs) have already visited 11 of these States (except Andhra Pradesh) and the proposals regarding assistance from the NCCF in respect of 10 States (except Andhra Pradesh & Assam) have been considered by the High Level Committee (HLC), headed by the Minister of Finance, in its meeting held on 21<sup>st</sup> October, 2009. The proposals regarding Andhra Pradesh and Assam will be considered early.

1.8 The Agriculture Ministry has taken several steps to mitigate the effects of drought, viz.

- States were requested to prepare alternate plans for unsown/germination failed areas with short duration/alternate crops.
- Diesel Subsidy scheme to the farmers to enable providing supplementary protective irrigation to save the standing crops. (50% of the cost of subsidy with cap of Rs.7.50/litre, given by the States, will be borne by the Central Government.)
- Use of Truthfully Labelled (TL) seeds, relaxation of age for seed varieties and distribution of minikits allowed under the Government programmes(NFSM, RKVY)
- Area specific approach adopted to achieve higher production through provisioning of inputs like, fertilizers, credit, pest control measures, etc. in the areas with higher rainfall.
- Agricultural advisories for appropriate crop programme were telecast / broadcast through the media for the benefit of the farmers.
- Scientists from ICAR Institutions, Krishi Vigyan Kendras (KVKs) as well as experts of National Rainfed Area Authority (NRAA) helped the States in their efforts to counter the impact of deficit rainfall/drought situation on agriculture.
- Zonal Conferences and Rabi Campaign programme was held with the State Governments to enable formulation of appropriate action plans to increase production and productivity during the forthcoming Rabi to partially offset the losses incurred during kharif.
- Funds made available under the Centrally Sponsored Programme, like RKVY, NFSM, NHM, MMA, ISOPOM etc. to enable taking up of agriculture reconstruction programme.

### **Schemes / Programmes of the Department of Agri. & Cooperation**

1.9 Agriculture being a State subject, the primary responsibility for increasing agriculture production, enhancing productivity and exploring the vast

untapped potential of the sector rests with the State Governments. However, in order to supplement the efforts of the state governments, a number of centrally sponsored and central sector schemes are being implemented for the enhancement of agricultural production and productivity in the country, and increase in income of the farming community. Schemes / Programmes of the Department of Agriculture & Cooperation as described herewith in brief:

## **2. MACRO MANAGEMENT**

2.1 Macro Management of Agriculture Scheme was formulated in 2000-01 by bringing together under one umbrella 27 centrally sponsored schemes relating to cooperatives, crop production programmes, watershed development programme, horticulture, fertilizer, mechanization and seeds. With the launching of National Horticulture Mission (NHM) in 2005-06, 10 schemes pertaining to horticulture development were taken out of the purview of the scheme. The Scheme has been revised during 2008-09, to improve its efficacy in supplementing / complementing the efforts of the States towards enhancement of agricultural production and productivity. The role of the scheme has been redefined to avoid overlapping and duplication of efforts and to make it more relevant to the present agricultural scenario in the States to achieve the basic objective of food security and to improve the livelihood system for rural masses. The component relating to State Land Use Board(SLUB) has also been discontinued w.e.f. 1<sup>st</sup> August,2009. The Revised MMA scheme comprises 10 sub-schemes relating to crop production and natural resource management.

2.2 Some of the salient features of the Revised Macro Management of Agriculture Scheme are the following:

- i. The practice of allocating funds to States/UTs on historical basis has been replaced by a new allocation criteria based on gross cropped area and area under small and marginal holdings. The assistance would be provided to the States/UTs as 100% grant.
- ii. The subsidy structure has been rationalized to make the pattern of subsidy uniform under all the schemes implemented by the Department of Agriculture & Cooperation. The revised subsidy norms indicate the maximum permissible limit of assistance. States may either retain the

existing norms, or increase them to a reasonable level provided that the norms do not exceed the revised upper limits specified.

- iii. Two new components have been added namely, (a) Pulses and oilseeds crop production programmes for the areas not covered under the Integrated Scheme of Oilseeds, Pulses, Oil palm and Maize (ISOPOM) and (b) "Reclamation of Acidic Soil" along with the existing component of "Reclamation of Alkali Soil".
- iv. The permissible ceiling for new initiatives has been increased from existing 10% to 20% of the allocation.
- v. Atleast 33% of the funds has to be earmarked for small, marginal and women farmers.
- vi. Active participation of the Panchayati Raj Institutions (PRIs) of all tiers would have to be ensured in the implementation of the Revised MMA scheme including review, monitoring and evaluation at district/sub-district level.

2.3 For the year 2008-09 an allocation of Rs. 950.00 crore was provided under the Scheme of which an amount of Rs. 922.78 crores was released. For 2009-10 an allocation of Rs. 950.00 crore has been provided.

### **3. National Food Security Mission (NFSM)**

3.1. National Food Security Mission (NFSM): The National Food Security Mission (NFSM) was launched in October 2007-08 targeting three important food grain crops- rice, wheat and pulses. The primary objective of the Mission is to enhance the production of these crops through increased productivity and area coverage of pulse. The Mission targets an area of about 20 million hectares under rice, 13 million hectares under wheat and 17 million hectares under pulses in 136, 141 and 171 identified districts, respectively. In the case of pulses, about 4.05 million hectares is to be added to the area under cultivation by 2011-12 through the utilisation of rice fallows and inter-cropping with wider-spaced crops. The total outlay of the Mission for the Eleventh Plan period is Rs. 4882.48 crore. NFSM aims at achieving the additional production of 10 million tonnes of rice, 8 million tonnes of wheat and 2 million tonnes of pulses by 2011-12 through increased adoption of improved and proven crop production and protection technologies such as hybrids and high-

yielding varieties; resource conservation technologies; integrated management of nutrients, pests and weeds; and improved tillage and other farm implements.

3.2 The Mission aims at increasing production of rice, wheat and pulses through a set of measures such as area expansion, productivity enhancement in selected districts; restoring soil fertility; creating employment opportunities; and enhancing farm level economy to restore the confidence of the farmers of the targeted districts.

3.3. During 2007-08 Rs. 400 crore was allocated and released for various interventions. For 2008-09 the amount allocated under the scheme was Rs. 1100 crores which has been further increased to Rs. 1350 crores for 2009-10. The Steps taken so far are on the course of achieving envisaged targets of additional production of rice, wheat and pulses.

#### 4 Rashtriya Krishi Vikas Yojana (RKVY)

4.1 Pursuant to the resolution adopted on 29.5.2007 by the National Development Council (NDC), to reorient the current agricultural development strategies to meet the needs of the farmers and for fresh efforts by the Central and State Governments to rejuvenate agriculture so as to achieve 4% annual growth during the 11<sup>th</sup> Five Year Plan, a new State Plan Scheme of Additional Central Assistance (ACA) for agriculture and allied sectors, namely, Rashtriya Krishi Vikas Yojna (RKVY) was launched during 2007-08 with an envisaged outlay of **Rs.25,000 crore** for the 11<sup>th</sup> Five Year Plan.

4.2 The broad objective of RKVY is to incentivize the States to increase public investment to achieve 4% growth rate in agriculture and allied sectors in the 11<sup>th</sup> Five Year Plan. The new scheme requires the States to prepare District and State Agriculture Plans and to increase or at least to maintain the percentage share of expenditure in agriculture and allied sectors in the State Plan. The allocation of funds to the States is based on the net un-irrigated area, gross state domestic product in agriculture and allied sectors to be attained by the end of the 11<sup>th</sup> Five Year Plan, and increase in the State Plan expenditure in agriculture and allied

sectors. The ACA is made available to the States as 100% grant. The States have been provided flexibility and autonomy in the process of selection, planning, approval and execution of schemes. The State Level Sanctioning Committee (SLSC) headed by the Chief Secretary approves the projects under RKVY. The distribution of the funds among the States is in two streams – Stream-I and Stream-II. Under Stream I, at least 75% of the RKVY funds are made available for specific projects as part of the State and District Plans. Under Stream II, 25% of the total RKVY funds to a State are made available for strengthening existing State Sector schemes. The funds are routed through the State Agriculture Department which is the nodal Department for the scheme.

4.3 Under the Scheme, the following broad activities have been identified for focused attention – Integrated Development of Food Crops, including coarse cereals, minor millets and pulses; Agriculture Mechanization; Soil Health and Productivity; Development of Rainfed Farming Systems; Integrated Pest Management; Market Infrastructure; Horticulture; Animal Husbandry; Dairying and Fisheries; Concept to Completion Projects that have definite timelines; Support to Institutions that promote Agriculture and Horticulture, etc. and Organic and Bio-fertilizers. These activities are only indicative in nature.

4.4 The Scheme has been operationalized with effect from August, 2007 and has evoked a good response from the States during 2007-08 with 22 States holding the meetings of the SLSC headed by the Chief Secretary to clear the projects. The funds were allocated over a range of activities. During 2007-08, agriculture infrastructure, which had been neglected for long, was the focus of attention by the States under Stream-I of RKVY, with a total share of about 54%. These include projects for micro/minor irrigation (23%), watershed development (11%), agriculture marketing and storage (10%), seed farms and soil/fertilizer testing laboratories (10%). The other major areas were animal husbandry (10%), extension and research (7%), horticulture (6%), crop production programme (5%), farm mechanization (4%), fisheries (3%) and others (11%). Funds to the tune of Rs.1263.00 crore and Rs. 3165.67 crore were made available in RKVY during 2007-08 and 2008-09.

4.5 For the year 2009-10, an outlay of Rs.4067 crore has been approved under RKVY.

## **5. Technology Mission on Oilseeds, Pulses and Maize (TMOP)**

5.1 Almost three-fourth of the total oilseeds & pulses area is confined to rainfed farming cultivated mostly by small and marginal farmers. Slow development and adoption of technologies, cultivation under input-starved conditions, combating the biotic and abiotic stress are some of the major causes of low productivity of oilseeds & pulses. Efforts are being made by the Government to increase the production of oilseeds & pulses and oil palm in the country to meet the rising demand through implementation of Centrally Sponsored Integrated Scheme of Oilseeds, Pulses, Oil Palm and Maize (ISOPOM) and other schemes.

5.2 India is one of the four major players in the Vegetable Oils in the World, being one of the important oilseed grower, producer and importer of edible oils. India accounts for 12-15% of World's oilseeds area, 7-8% of World's Oilseed output, 6-7% of World's Vegetable oil production. The per capita consumption of vegetable oils, in India, is estimated at 12 Kg/annum during 2007-08. With the increase in population and personal income, the per capita consumption and import of vegetable oils have witnessed a surge in 2008-09.

5.3 Pulses are basic ingredients in the diets of a vast majority of Indian population as they provide a perfect mix of high biological value when supplemented with cereals. Pulses are also an excellent feed and fodder for livestock. Apart from their dietary value, pulses also play an important role in sustaining intensive agriculture by improving physical, chemical and biological properties of soil through nitrogen fixing ability and are considered suitable crops for diversification of cereal based cropping systems. The major pulses grown in the country are chickpea, pigeonpea (tur), moong bean, urd bean, fieldpea and lentil which together account for about 80.7% production of pulses in the country.

## **5.4 Integrated Scheme of Oilseeds, Pulses, Oilpalm & Maize (ISOPOM)**

In order to provide flexibility to the States in implementation based on regionally differentiated approach, to promote crop diversification and to provide focused approach to the programmes, the four erstwhile schemes of OPP, OPDP, NPDP and AMDP have been merged into a Centrally Sponsored Integrated Scheme of Oilseeds, Pulses, Oilpalm and Maize (ISOPOM) which is being implemented from 1.4.2004. Under the scheme, financial assistance is provided for purchase of breeder seed, production of foundation seed, production and distribution of certified seed, distribution of seed minikits, distribution of plant protection equipments, weedicides, supply of *rhizobium* culture/phosphate solubilising bacteria, distribution of gypsum/pyrite/ liming/dolomite, distribution of sprinkler sets and water carrying pipes, publicity, etc. to encourage farmers to grow pulses on a large scale. In order to disseminate information on improved production technologies amongst the farmers, block demonstrations and Integrated Pest Management (IPM) demonstrations are organized through State Departments of Agriculture and Frontline Demonstrations through ICAR.

#### **5.5 Production status of Oilseeds and pulses**

Consequent upon setting up of Technology Mission on Oilseeds, a major breakthrough in increasing oilseeds production was achieved through an integrated approach by introducing new crop technologies, better supply of inputs and extension services support for marketing and post harvest technologies and excellent coordination/cooperation between various organizations/departments and Ministries. As a result of concerted efforts of the TMOP, the production of oilseeds increased from 10.83 million tonnes in 1985-86 to 24.75 million tonnes in 1998-99. This was brought about not only by increase in area but also by improving the productivity from 570 kg. to 944 kg. per hectare. There has been a record production of 29.75 million tonnes of oilseeds in the country during 2007-08. The production of oilseeds has been recorded at 28.15 million tones during 2008-09 (IV Adv. Estimates). A target of 31.60 million tones of oilseeds production has been fixed for 2009-10. An amount of Rs. 320.00 crores has been provided under ISOPOM for 2009-10 for implementation of ISOPOM Scheme in various states. Likewise, the pulses production in the country increased from 12.86 million tonnes in 1989-90 to 14.91 million tonnes in 2003-04 (prior to ISOPOM). There has been a record production of 14.76 million tonnes of pulses during 2007-08. The production of

pulses has been recorded as 14.66 million tonnes during 2008-09 (IV Adv. Estimates). A target of 16.50 million tonnes of pulses production has been fixed for 2009-10.

## **6. Seed**

6.1 National Seeds Policy, 2002 provides a framework for insuring the growth of seed sector in a liberalized economic environment and to provide Indian farmers with a wide range of high quality seeds/planting material in adequate quantity. The Policy caters to the need for safeguarding the interests of Indian farmers, conservation of agri-biodiversity and creating an appropriate climate for seed industry.

### **6.2 Assistance for Boosting Seed Production in private sector:**

National Seeds Policy, 2002 recognizes greater role for the private sector in the functioning of the seed industry in the country. Realizing the need for increased seed production with a view to enhance Seed Replacement Rates particularly in high volume low value crops, a component to provide assistance for boosting seed production in private sector has been included in the restructured Central Sector scheme 'Development and Strengthening of Infrastructure Facilities for Production and Distribution of Quality Seeds'. Under this component, credit linked back-ended capital subsidy is provided at the rate of 25% of the project cost subject to a maximum limit of Rs. 25.00 lakh per unit on seed infrastructure development. Private Companies, individual entrepreneurs, self-help groups, seed co-operatives, partnership farms are eligible for subsidy. The component is implemented through Nationalized Banks/Scheduled Commercial Banks and National Co-operative Development Corporation (NCDC). The assistance is for creation of infrastructure facilities relating to seed cleaning, grading, processing, seed treating, packaging and storage units as well as for seed testing facilities. This assistance is primarily for low value and high volume seeds. National Seed Corporation is the nodal agency for implementation and monitoring of this component.

### **6.3 Seed Village Programme:**

To upgrade the quality of farmer-saved seed, which is about 80% of the total seed used for crop production programme, financial assistance is provided under the

component 'Seed Village Programme' of the Central Sector Scheme. 'Development and Strengthening of Infrastructure Facilities for Production and Distribution of Quality Seeds' assists in distribution of foundation/certified seed at 50% cost of the seed of crops for production of certified/quality seeds only and for training on seed production and technology to the farmers.

The seed produced in these seed villages are preserved/stored till the next sowing season. In order to encourage farmers to develop storage capacity of appropriate quality, assistance is given to farmers for making/procuring of Pusa Bin/Mud bin/Bin made from paper pulp for storing of seed produced by the frames on their farms. Assistance @33% subject to maximum of Rs.3000/- for SC/ST farmers and @25% subject to maximum of Rs.2000/- for other farmers for procuring seeds storage bin of 20 qtls. capacity is provided and assistance @ 33% subject to maximum of Rs.1500/- to SC/ST farmers and @ 25% subject to maximum of Rs.1000/- for other farmers for making seeds storage bin of 10 qtl. capacity is provided in the seed villages where seed village programme is being implemented.

Under the Prime Minister's Special Relief Package for suicide affected districts of the following States, Grants-in-aid as mentioned below have been released under this component for supply of seeds to the distressed farmers @50% subsidy:

Name of State	Grants-in-aid released (Rs. in crore)			Total (Rs. in crore)
	2006-07	2007-08	2008-09	
Maharashtra	25.46	50.72	103.82	180.00
Andhra Pradesh	47.36	231.51	191.31	470.18
Karnataka	0.87	27.00	150.08	177.95
Kerala	-	1.32	0.60	1.92
Total	73.69	310.55	445.81	830.05

#### 6.4 Protection of Plant Varieties and Farmers, Rights Act, 2001

The Protection of Plant Varieties & Farmers' Rights Act(PPV&FR) Act,2001 provides for protection of Intellectual Property rights of plant breeders in order to stimulate investment in R&D for the development of new plant varieties

which would facilitate the growth of the seed industry and ensure the availability of quality seeds to farmers and also for protection of farmers' rights. The Authority has initiated measures for establishment of an effective system for protection of plant varieties, the rights of farmers to encourage the development of new varieties of plants and to establish standards for varieties. The object is to balance the need for an appropriate legal framework to encourage private participation in developing new seed varieties and the need for protecting farmers' rights in using farm-saved seeds under the provision of law. The Authority is presently registering under PPV&FR Act, 2001 varieties of 17 notified crops. The Authority is planning to set up its branch offices in Assam and Jharkhand and enlarge its registration activities for medicinal horticultural and aromatic crops also.

#### **6.5 BT. Cotton Seeds**

Transgenic Bt. Cotton has been developed through genetic engineering techniques by transferring genes from the soil bacterium (*Bacillus thuringiensis*(Bt.) for production of Cry1AC protein in cotton plants for the control of Lepidopteran (bollworm complex) pests. The first Bt. Cotton hybrids were allowed for commercial cultivation in the year 2002. Since then, more than 604 Bt. cotton hybrids of 31 agencies have been approved for commercial cultivation in India. The area under Bt. Cotton cultivation has also increased from 29,000 hectare in 2002 to about 6.98 million hectare in Kharif, 2008. It is significant to mention that Bt. Brinjal has also been cleared by GEAC in its 97<sup>th</sup> Meeting held on 14.10.09.

#### **6.6 New Legislation on Seeds:**

The Seeds Act, 1966 and Seed (Control) Order, 1983 regulates the quality of seed available in the market. The Seeds Act provides for a system of notification of kinds or varieties of seeds by the Government of India. Notification also enables enforcement of seed law by the State Governments. The Seeds (Control) Order, 1983 provides for licensing of seed dealers and has put in place a rigorous system of regulation and enforcement. A draft Seeds Bill, 2004 has been prepared on the basis of the recommendations of the Seed Policy Review Group and consultations with seed experts and various stakeholders. The

provisions available in the Seeds Act, 1966, Seeds Rules, 1968 and Seeds (Control) Order 1983 are subsumed with the Seeds Bill, 2004 for regulating the quality of seeds. The Seeds Bill, 2004 was introduced in the Rajya Sabha on 9<sup>th</sup> December, 2004 which was referred to the Parliamentary Standing Committee on Agriculture for examination and report. After receiving the Report of the Committee, a Note for the consideration of the Union Cabinet was prepared. The Union Cabinet in its meeting held on 26<sup>th</sup> June, 2008 approved the proposal of the Department of Agriculture & Cooperation for moving the official amendments proposed in the Seeds Bill, 2004. Notice was given to Rajya Sabha for moving the official amendments to the Bill and passing of the Bill on 3<sup>rd</sup> December, 2008 and 6<sup>th</sup> February, 2009. However, on both occasions, Bill could not be taken for discussion by the Rajya Sabha. After the change of Government, the approval of Cabinet is again being sought as advised by Ministry of Law & Justice.

#### **6.7 National Seeds Research and Training Centre (NSRTC)**

The National Seeds Research & Training Centre (NSRTC) at Varanasi has been established at Varanasi, Uttar Pradesh to impart training on quality control aspects of seeds to the personnel working in various seed development organizations. The Centre has already been functioning. The Seed Testing Laboratory of the NSRTC also acts as Central Seed Testing laboratory and referral laboratory for court cases. NSRTC, Varanasi is coordinating with designated authorities for implementation of OECD Seed Schemes, in which India has participated from October, 2008.

#### **6.8 Import and Export of Seeds**

The Government of India has liberalized the seed import and export regulations and intends to develop the country into a major seed production and export centre. The Government encourages States to obtain accreditation of seed testing laboratories from the International Seed Testing Association (ISTA). The Government of India also plans to participate in OECD Seed Schemes, which is recognized world-wide for varietal certification of seeds moving in international trade.

### **7. National Horticulture Mission (NHM)**

7.1 For the holistic development of horticulture sector a Centrally Sponsored Scheme “National Horticulture Mission (NHM)” was launched in the country, during X Plan (with effect from 2005-06). The objectives of the mission are to enhance horticulture production, improve nutritional security and income support to farm households and others through area based regionally differentiated strategies. All the States and two Union Territories of Andaman Nicobar Islands and Lakshadweep are covered under the Mission except the eight North Eastern States including Sikkim and the States of Jammu & Kashmir, Himachal Pradesh and Uttarakhand, which have been covered under the Technology Mission for Integrated Development of Horticulture in the North Eastern States (TMNE).

7.2 During 2005-06, 227 districts were covered under NHM. During 2006-07, 35 during 2007-08, 78 and during 2008-09, 4 new districts were included under NHM. Thus, at present out of total 476 districts in the 18 States and 2 Union Territories covered under NHM, 344 districts have been included under NHM.

7.3 Crops such as fruits, spices, flowers, medicinal and aromatic plants, plantation crops of Cashew and Cocoa are included for area expansion. Whereas, vegetables are covered through seed production, protected cultivation, INM/IPM and organic farming.

7.4 During 2005-06 to 2007-08, an amount of Rs. 2492.61 crore was released to 18 States, 2 UTs and 11 National Level Agencies for implementation of the Scheme, against which an expenditure of Rs. 2029.29 crore was incurred.

7.5 An outlay of Rs. 1100.00 crore is earmarked for implementation of the Scheme during 2008-09. Against this, an amount of Rs. 690.83 crore has been released up to 30.10.2008.

7.6 During the period 1710 new nurseries were setup. An area of about 8.26 lakh ha was brought under new gardens of various horticulture crops and an area of 1.2 lakh ha under old and senile plantations was rejuvenated. Organic farming and Integrated Pest Management programme was taken up in the area of 0.76 lakh ha

and 4.0 lakh ha area respectively. Under the post harvest management component, 898 pack houses, 46 cold storages, 14 refrigerated vans, 7 Whole sale markets and 45 rural markets were setup.

## **8. Technology Mission for Integrated Development of Horticulture in North Eastern States, Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttarakhand:**

8.1 In order to harness the potential of the horticulture in hilly North Eastern Region a Centrally Sponsored Scheme on Technology Mission for Integrated Development of Horticulture in North Eastern region including Sikkim, was launched during the year 2001-02.

8.2 Considering the potential of Horticulture for socio-economic development of Jammu & Kashmir, Himachal Pradesh and Uttarakhand, which are contiguous hilly States, Government of India has decided to extend the implementation of the Horticulture Technology Mission to these States from 2003-04.

8.3 During the years 2001-02 to 2007-08, an amount of Rs. 1247.21 crores has been released under the Mission, of which Rs. 904.97 crores for NE States and Rs. 342.23 crores for Himalayan states.

8.4 Funds earmarked for the current fiscal year 2008-09 is Rs. 299.00 crores, of which Rs. 220.00 crores is for North Eastern States and Rs. 79.00 crores for Jammu & Kashmir, Himachal Pradesh and Uttarakhand. During the current year, so far, an amount of Rs. 170.14 crores has been released under the scheme out of which Rs. 130.69 crores has been released to North Eastern states and Rs. 39.44 crores to Himalayan states.

8.5 Since inception up to 2007-08 an additional area of about 3.33 lakh ha. was brought under cultivation in various horticulture crops in North Eastern and Himalayan States. Established 47 Wholesale markets, 248 Rural Primary Markets, 64 Apni Mandies, 18 State grading laboratories, 31 Rope ways and 31 Processing units in NE states, J&K, Himachal Pradesh and Uttarakhand. Besides, creating the other infrastructure facilities such as, nurseries, community tanks ,tube wells, tissue

culture units, green houses, model floriculture center, mushroom units, vermi-compost units etc. which have helped in production and supply of quality planting material and production and productivity of horticulture crops in the region.

## **9. National Rainfed Area Authority**

9.1 The Government of India has also constituted the National Rainfed Area Authority (NRAA) to give focused attention to the problem of the rain-fed areas of the country. The Authority is an advisory, policy-making and monitoring body charged with the role of examining guidelines in various existing schemes and in the formulation of new schemes including all externally-aided projects in this area. Its mandate is wider than mere water conservation and covers all aspects of sustainable and holistic development of rain-fed areas, including appropriate farming and livelihood system approaches. It would also focus on issues pertaining to landless and marginal farmers, since they constitute the large majority of inhabitants of rain-fed areas. The NRAA has formulated common guidelines for Watershed Development Project and the same has been circulated to all the States for implementation of Watershed Development Programme as per instructions contained in the guidelines.

## **10. National Bamboo Mission**

10.1 The National Bamboo Mission (NBM) is a Centrally Sponsored Scheme which is being implemented by the Division of Horticulture under the Department of Agriculture & Cooperation in the Ministry of Agriculture, New Delhi, at the cost of Rs 568.23 crore with 100% assistance of the Central Government, during the period from 2006-07 to 2010-11. The NBM aims at holistic development of bamboo sector in India. The thrust of the Mission is on an area-based regionally differentiated strategy for both forest and non-forest areas. A number of activities are being supported for increasing productivity and quality of bamboo by increasing area under bamboo cultivation, mass production of superior quality planting stock of high-yielding species of bamboo, improvement of the existing stock, pest and disease management, improved post-harvest management and development and upgradation of marketing facilities.

10.2 During 2006-07, Rs. 7570.86 lakhs were released to 15 States. During 2007-08, an amount of Rs. 11439.62 lakhs were released including Rs. 359.80 lakhs for R&D. During the financial year 2008-09, a sum of Rs. 8466.60 lakhs has been released to different States/implementing institutions including Rs. 123.74 lakh to R&D institutions. During the current financial year, Annual Action Plan of 21 States have been approved involving an amount of Rs. 7000.00 lakhs and Rs. 1303.45 lakhs has been released including Rs. 66.73 lakhs for R&D projects upto September, 2009.

10.3 Till date, 1, 05,508 ha have been covered with bamboo plantation, 30,167 ha of existing stock have been treated for productivity improvement, 1,104 nurseries have been established for supply of quality planting material and 29,831 farmers/entrepreneurs/field functionaries have been trained for raising quality bamboo plantation and marketing of bamboo produce.

10.4 National Bamboo Mission has been concentrating on plantation and related activities, now the Mission will be working for development of handicraft and marketing of bamboo. In this regard, eight proposals related to handicraft & marketing have already been considered for funding under the Scheme. The Mission intends to establish 195 bamboo bazaars and 10 retail outlets (showrooms) in different metropolitan cities by the end of 2010-11 to promote marketing of bamboo and its products.

## **11. Micro Irrigation**

11.1 The Centrally Sponsored Scheme on Micro Irrigation (MI) was launched during 2005-06 in (January 2006) for promoting water use efficiency by adopting drip and sprinkler irrigation system. All the States and Union Territories are covered under the scheme.

11.2 The objective of the scheme is to promote micro irrigation - a technology for use of water efficiently and judiciously; to arrest wastage and unscientific use of water; to enable high frequency of water in an around root zone to increase in yield of crops

(30-100%); to save fertilizer consumption (upto 40%); to reduce weeding cost and inter culture operations; to generate employment for skilled and unskilled persons. All horticultural as well as agricultural crops are covered under the scheme.

11.3 The National Committee on Plasticulture Applications in Horticulture (NCPAH), an apex body established under the aegis of the Department of Agriculture & Cooperation, Ministry of Agriculture provides the required technical guidance in association with Precision Farming Development Centres (PFDCs) located in 22 locations. The Panchayati Raj Institutions (PRIs) is involved in selecting the beneficiaries.

11.4 Since inception of the scheme, about 10 lakh ha has been covered under drip and sprinkler system and a sum of Rs 1425.23 crore has been released as Government of India Share (40% of the total cost).

## **12 Agricultural Mechanization Programme**

12.1 The Governmental programmes related to agricultural mechanization lay emphasis on selective mechanization with the aim of optimal utilization of the available sources of farm power. Various promotional schemes have been undertaken for the replacement of traditional and inefficient implements and hand tools by improved ones to enable the farmers to own tractors, power tillers, power driven equipment, improved bullock drawn equipment/hand tools etc. through the element of subsidy and their popularization through demonstrations. The programmes related to human resource development and testing and evaluation of agricultural equipments have been undertaken to further enhance the pace of mechanisation.

12.2 During the last 10 years, about 24.70 lakh tractors and 1.71 lakh power tillers have been sold in the country. At present, the estimated population of tractors and power tillers in the country is over 40 lakh and 2.5 lakh respectively.

12.3 The Ministry is also implementing a Central Sector Scheme "Promotion & Strengthening of Agricultural Mechanization through Training, Testing & Demonstration" with a Tentative Budget Outlay of Rs. 36.00 crore during XI Plan. An

amount of Rs. 13.00 crore was provided during 2008-09. The B.E. for the current financial year (2009-10) under the scheme is Rs.29.00 crore. The main components of this scheme are Training, Testing, Demonstration and Outsourcing of Training.

12.4 A new Central Sector Scheme “Post Harvest Technology & Management” has been formulated and implemented from March, 2008 with the main objectives of (i) Establishment of units for transfer of primary processing technology, value addition, low cost scientific storage, packaging units and technologies for bi-product management in the production catchments under tripartite agreement; (ii) Establishment of low cost PHT units/supply of PHT equipments with Government assistance; (iii) Demonstration of technologies; and (iv) Training of farmers, entrepreneurs and scientists. The anticipated benefits accrued from the said scheme are (i) Reduction in on-farm production losses; (ii) On-farm primary processing; (iii) On-farm value addition of produce; (iv) Ensuring fair price for the produce and mopping up surpluses at farm level; (v) Higher employment and income for rural population due to diversification of activities in the production catchments; and (vi) Proper residue management. The scheme will continue during XI Plan with an allocation of Rs.40.00 crore.

### **13. Organic farming**

13.1 A central sector scheme “National Project on Organic Farming” has been taken up from October 2004 for production, promotion, certification and market development of organic farming in the country. The main components under the scheme are: Capacity building through service providers. Setting up of organic input units:

- a. Fruit/vegetable waste compost units;
- b. Bio-fertilizer production units;
- c. Vermi-culture hatchers;

Training programme for

- d. Certification and inspection agencies/service providers
- e. Organic input production and quality control;
- f. Field functionaries/Extension Officers;

g. Farmers training

Field demonstrations on

- h. Organic inputs including vermin-compost including city waste;
- i. Use of enriched biogas slurry;
- j. Setting up of model organic farm.

13.2 The National Project on Organic Farming (NPOF) is proposed to be implemented as a full-fledged scheme during the 11<sup>th</sup> Five Year Plan period with an outlay of Rs.150 crore. For the year 2009-10 an outlay of Rs.30.00 crore has been provided.

14. Plant Protection:

14.1 Plant Protection efforts are aimed at minimizing crop losses due to ravages of insects, pests, diseases, weeds, nematodes, etc. Enforcement of the Destructive Insects and Pests Act 1914 for the prevention of exotic pests, promotion of integrated pest management, implementation of the Insecticides Act, 1968 for regulating production and use of pesticides, monitoring and control of desert locust in the scheduled desert area and human resource development in plant protection through training are the major programmes in the gamut of the plant protection. For Plant Protection Programmes/Schemes, an amount of Rs. 47.00 crore has been allocated for the year 2009-10.

14.2 To provide a more effective regulatory framework for introduction and use of safe and efficacious pesticides in the country, the Pesticide Management Bill 2008 has been introduced in the Parliament.

14.3 The existing National Plant Protection Training Institute, Hyderabad has been converted into an autonomous organization as National Institute of Plant Health Management, Hyderabad. The infrastructure and capacity of the Institute would be upgraded to meet the increasing training needs and to serve as a centre of excellence and policy support centre in plant protection and phytosanitary matters.

14.4 A publicity campaign to curb menace of spurious pesticides and for 100% seed treatment has been undertaken through advertisements and video-conferencing with States.

## **15. Agricultural Marketing**

15.1 Organized marketing of agricultural commodities has been promoted in the country through a network of regulated markets. Most of the State governments and Union Territories have enacted legislations (APMC Act) to provide for regulation of agricultural produce markets. While by the end of 1950, there were 286 regulated markets in the country, today the number stands at 7,139 (31.3.2009). Besides, the country has 20868 Rural Periodical Markets, about 15 per cent of which function under the ambit of regulation. The advent of regulated markets has helped in mitigating the market handicaps of producers/sellers at the wholesale assembling level. but, the rural periodic markets in general, and the tribal markets in particular, remained out of its developmental ambit.

15.2 Agriculture sector needs well functioning markets to drive growth, employment and economic prosperity in rural areas of the country. In order to inject dynamism and efficiency into the marketing system, large investments are required for the development of post-harvest and cold chain infrastructure nearer to the farmers' field. A major portion of this investment is expected from the private sector, for which an appropriate regulatory and policy environment is necessary. Alongside, enabling policies need to be put in place to encourage procurement of agricultural commodities directly from farmers' field and to establish effective linkage between the farm production and the retail chain and food processing industries. Accordingly, amendment to the State APMC Act for deregulation of marketing system in the country is suggested to promote investment in marketing infrastructure, motivating corporate sector to undertake direct marketing and to facilitate a national integrated market.

15.3 The Ministry of Agriculture formulated a Model Law on agricultural marketing for guidance and adoption by State Governments. The model

legislation provides for establishment of Private Markets/Yards, Direct Purchase Centres, Consumer/Farmers' Markets for direct sale and promotion of Public Private Partnership in the management and development of agricultural markets in the country. Provision has also been made in the Act for constitution of State Agricultural Produce Marketing Standards Bureau for promotion of Grading, Standardisation and Quality Certification of agricultural produce. This would facilitate pledge financing, direct purchasing, forward /futures trading and exports. Sixteen States/U.Ts have amended their APMC Act and the remaining States are in the process of doing so. In pursuance of the 53<sup>rd</sup> NDC resolution, the Ministry of Agriculture has prepared Draft APMC Model Rules based on the Model Law and circulated to all concerned States/U.Ts. So far, 8 States have framed their amended APMC Rules. Investment requirement for the development of marketing, storage and cold storage infrastructure in the country has been estimated to be huge and with a view to induce investment in the development of marketing infrastructure as envisaged above, the Ministry has implemented the following Plan Schemes:

i) The Department of Agriculture and Co-operation introduced a Central Sector Scheme 'Grameen Bhandaran Yojana' with effect from 1.4.2001 to promote construction of Rural Godowns in the country. The main objectives of the scheme include creation of scientific storage capacity with allied facilities in rural areas to meet the requirements of farmers for storing farm produce; to prevent distress sale of produce; promote pledge financing and marketing credit; and to introduce a national system of warehouse receipts for agricultural commodities stored in such godowns. The scheme will continue during XI Plan also. Under the revised scheme w.e.f. 26/06/2008, subsidy @ 25% will be given to all categories of farmers, Agriculture graduates, cooperatives & CWC/ SWCs. All other categories of individuals companies and corporations would be given subsidy @ 15% of the project cost. In case of NE States/hilly areas women farmers & SC/ST entrepreneurs and their cooperatives, subsidy shall be 33.33%. The scheme has been made farmer friendly by allowing subsidy for smaller godowns of 50 MT size in general and of 25 in hilly areas. Five lakh tonnes capacity to be created is reserved for small farmers. The scheme is being implemented through NABARD and NCD. Since inception of the scheme w.e.f. 1/4/2001 and upto 30<sup>th</sup> September, 2009, 20887

storage projects having a capacity of 243.00 lakh tonnes with a subsidy release of Rs.573.12 crore have been sanctioned under the scheme.

ii) With a view to establish a *nation-wide information network* for speedy collection and dissemination of price and market related information to farmers, electronic connectivity is being provided to all important agricultural markets in the country under a Central scheme, 'Market Research and Information Network'. Total 3199 nodes have been covered under computer connectivity, consisting of 3024 market nodes. More than 1833 market nodes are reporting data in respect of 300 commodities and about 2000 varieties in September, 2009 are being reported. 299 market nodes have been covered against the proposed target of 360 for the XI Plan. In order to facilitate wider market access opportunities and better price discovery the scope and contents of the scheme is being strengthened regularly.

iii) The Ministry of Agriculture is implementing another Central Sector scheme for "Development / Strengthening of Agricultural Marketing Infrastructure, Grading and Standardisation". Under the scheme, investment subsidy is provided @ 25 per cent on the capital cost of the marketing infrastructure development project subject to a maximum of Rs 50 lakh for each project in all States and @ 33.3 per cent of capital cost subject to a maximum of Rs 60 lakh for each project in case of North Eastern States, hilly areas and to Scheduled Castes/ Scheduled Tribes entrepreneurs. In respect of infrastructure projects of State Governments/State Agencies, there is no upper ceiling on subsidy to be provided under the scheme. The scheme is reform-linked, to be implemented in those States / Union Territories wherein the law dealing with agriculture markets (Agricultural Produce Marketing Regulation Act) allows setting up of competitive agricultural markets in private and cooperative sectors, direct marketing and contract farming. So far, 26 States / U.T,s namely, Madhya Pradesh, Kerala, Manipur, Tamil Nadu, Himachal Pradesh, Punjab, Sikkim, Nagaland, Andhra Pradesh, Rajasthan, Chhattisgarh, Arunachal Pradesh, Orissa, Maharashtra, Bihar, Assam, Tripura, Gujarat, Jharkhand, Karnataka, Goa, and U.T. of Andaman and Nicobar Islands, Daman and Diu, Dadra and Nagar Haveli, Lakshadweep, Chandigarh have been notified for implementation of the scheme. The Department has so far sanctioned 4464 (NAARD-3391, NCDC-784 & State Agencies-289)

projects under the above scheme and subsidy of Rs. 265.44 crore has been released upto 30.09.2009.

iv) Setting up of Terminal Markets: The Department has taken the initiative to promote modern terminal market complex for fruits, vegetables and other perishables in important urban centres of the country. These markets would provide state of the art infrastructure facilities for electronic auction, cold chain and logistics and operate through primary collection centres conveniently located in producing areas to allow easy access to farmers. The TMC are envisaged to operate on a “hub-and-spoke” format wherein the terminal market (the hub) would be linked to a number of collection centers ( the spokes), conveniently located in key production centers to allow easy access to farmers for the marketing of their produce.

In order to ensure better response to the scheme, the funding pattern of the scheme has now been modified to provide subsidy for setting up of projects under the above scheme. Under the modified scheme, maximum subsidy of 40% of the project cost has been offered with a floor subsidy of 25% to the private entrepreneurs for setting up of TMC. The unit cost ceiling has been kept at Rs. 150.00 crore for calculating subsidy, which shall not exceed Rs. 50.00 crore per TMC. There is also a provision for participation of Producers' Associations in the equity of project to a maximum of 26% to protect the interests of farmers and ensure service quality standards. Accordingly, the operational guidelines of the scheme have been modified and a copy of the modified guidelines has been circulated and uploaded on the website ([www.agmarknet.nic.in](http://www.agmarknet.nic.in)). Executive Committee of NHM in its meeting held on 21-10-2009 has given in principle approval for setting up of a Terminal Market in Tamil Nadu, Orissa, Bihar and Maharashtra.

(v) Agri-business Development: The Department is also implementing a Central Sector Scheme for Agri-business Development being implemented by Small Farmers' Agri-business Consortium (SFAC) in close association with Commercial Banks for providing (a) Venture Capital Assistance to agribusiness projects and (b) assist farmer/producer groups in preparation of quality Detailed Project Reports(DPRs). The Scheme is being implemented as an on-going scheme during current financial year i.e. 2009-10 with Budget Estimate of Rs. 20.00 crores. During the current financial year till date, SFAC has approved sanction of venture capital to

23 agri-business projects and DPRs of 14 projects with financial assistance of Rs. 15.98 crore against the target of 65 projects with varied agri-business activities.

**Progress of Reforms in Agricultural Markets (APMC Act) as on 30.9.2009**

Sl. No.	Stage of Reforms	Name of States/ Union Territories
1.	States/ UTs where reforms to APMC Act have been done as suggested.	Andhra Pradesh, Arunachal Pradesh, Assam, Chattisgarh, Goa, Gujarat, Himachal Pradesh, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Nagaland, Orissa, Rajasthan, Sikkim, Tripura
2.	States/ UTs where reforms to APMC Act has been done partially a) by amending APMC Act/ resolution	a) <u>Direct Marketing</u> : NCT of Delhi b) <u>Contract Farming</u> : Haryana, Punjab and Chandigarh c) <u>Private Markets</u> : Punjab and Chandigarh
3.	States/ UTs where there is no APMC Act and hence not requiring reforms	Kerala, Manipur, Bihar*, Andaman & Nicobar Islands, Dadra & Nagar Haveli, Daman & Diu and Lakshadweep
4.	States/ UTs where APMC Act already provides for the reforms	Tamil Nadu
5.	States/ UTs where administrative action is initiated for the reforms	Mizoram, Meghalaya, Haryana, J&K, Uttaranchal, Uttar Pradesh, West Bengal, NCT of Delhi and Pondicherry

\* APMC Act is repealed w.e.f. 1.9.2006

**Status of APMC Rules**

The State of Andhra Pradesh, Rajasthan, Maharashtra, Orissa, Himachal Pradesh, Karnataka, Madhya Pradesh (only for special license for more than one market) and Haryana (only for contract farming) have notified such amended Rules so far.

**16. Price Support Policy**

16.1 The price policy for agricultural commodities seeks to ensure remunerative prices to the growers for their produce with a view to encourage higher investment and production, and to safeguard the interest 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.

16.2 The MSPs for Kharif **crops of 2008-09 season** were raised substantially over the respective MSPs for 2007-08 season. The MSP of Paddy was raised by Rs.205 per quintal. A bonus of Rs.50 per quintal was also payable over and above the MSP. MSPs of Jowar, Bajra, Maize and Ragi had also been raised substantially. The MSPs of Moong and Urad had been raised by Rs.820 per quintal and of Arhar by Rs.450 per quintal. The MSPs of oilseeds and Cotton had also been raised substantially.

16.3 The Government has subsequently fixed the Minimum Support Prices (MSPs) of **Kharif crops of 2009-10 season**. The MSP for Paddy (Common) has been fixed at Rs.950 per quintal and that of Paddy (Grade A) at Rs.980 per quintal. The MSP of Arhar (Tur) has been raised over 2008-09, by Rs.300 per quintal and fixed at Rs.2300 per quintal while that of Moong has been raised by Rs.240 per quintal and fixed at Rs.2760 per quintal. The MSP of Sesamum has been fixed at Rs.2850 per quintal after raising it by Rs.100 per quintal. The MSPs of other kharif crops have been retained at their 2008-09 level.

16.4 The MSPs of **Rabi crops of 2008-09 season** to be marketed in 2009-10 have been further raised over previous years MSPs. The MSP of Wheat has been raised to Rs. 1080 per quintal and of Barley to Rs. 680 per quintal. MSP of Gram has been raised to Rs.1730 per quintal and of Masur to Rs.1870 per quintal. The MSP of Rapeseed/Mustard has been raised to Rs. 1830 per quintal.

16.5 The Government has fixed MSP for copra for 2009 season at Rs. 4450 per quintal for Fair Average Quality (FAQ) variety of Milling Copra and Rs. 4700 per quintal for FAQ variety of Ball Copra. MSP for de-husked coconut for 2009 season has been fixed at Rs. 12/per Kg. and for Toria for 2008-09 to market in 2009-10 at Rs. 1735 per quintal.

16.6 The Government has also fixed the MSP for raw-jute for 2009-10 season at Rs. 1375 per quintal for TD-5 variety of Ex-Assam. A Statement showing the

Minimum Support Prices (MSPs) of agricultural commodities announced in recent years is enclosed.

16.7 The higher MSPs announced in the last two seasons are expected to incentivise farmers to produce more which in turn will ease the pressure on prices.

16.8 The Cooperation Division is also implementing Price Support Scheme (PSS) for procurement of oilseeds, pulses & cotton through NAFED which is the Central nodal agency at the Minimum Support Price (MSP) declared by the Government. NAFED undertakes procurement of oilseeds, pulses & cotton under PSS as and when prices fall below the MSP. Procurement under PSS is continued till prices stabilise at or above the MSP. Losses, if any, incurred by NAFED in undertaking MSP operations are fully reimbursed by the Central Government. Profit, if any, earned in undertaking MSP operations is also credited to the Central Government.

16.9 NAFED has procured 17,587 MT of ball/milling copra valuing Rs. 8548.76 lakh and 13,708 MT Sunflower seed valuing Rs.3340.64 lakh under PSS during 2009-10. In addition NAFED has also procured a record quantity of 18,08,461 MT cotton valuing Rs.620649.46 lakh during 2008-09.

16.10 The Cooperation Division is also implementing Market Intervention Scheme (MIS) on the request of a State/UT Government for procurement of agricultural and horticultural commodities generally perishable in nature and not covered under Price Support Scheme. The MIS is implemented in order to protect the growers of these commodities from making distress sale in the event of bumper crop when there is glut in the market and the prices tend to fall below economic levels/cost of production. Procurement under MIS is made by NAFED as Central agency and by the State designated agencies. Losses, if any, incurred by the procuring agencies are shared between Central Government and the concerned State Government on 50:50 basis (75:25 in case of North-Eastern States). However, the amount of loss to be shared between Central Government and the concerned State Government is restricted to 25% of the procurement cost. Profit, if any, earned by the procuring agencies is retained by them.

16.11 This Department on the request of concerned State Government has implemented MIS for procurement of 1,56,800 MT of Oil palm, Arecanut, Potato and Orange valuing Rs. 129.06 crore in the States of Andhra Pradesh, Karnataka, Uttar Pradesh and Nagaland during the current year.

16.12 In North-Eastern Region, MIS has been implemented in Nagaland, for procurement of 16,000 MT of orange valuing Rs. 8.16 crore in the current year.

## **17. Extension Reforms**

**17.1 Support to State Extension Programmes for Extension Reforms** – This Scheme launched during 2005-06, aims at making extension system farmer driven and farmer accountable by way of new institutional arrangements for technology dissemination in the form of an Agricultural Technology Management Agency (ATMA) at district level to operationalize the extension reforms. ATMA will have an active participation of farmers / farmer groups, NGOs, Krishi Vigyan Kendras, Panchayati Raj Institutions and other stakeholder operating at district level and below. The release of funds will be based on State Extension Work Plans (SEWPs) prepared by the State Governments. 262 (ATMA) had been established till March, 2007. An additional 305 districts have been approved for implementation of the scheme across all the States/UTs in the country during current year as against 300 districts announced during the last year Budget Speech. Out of 305 additional districts ATMAs have been established in 303 districts till 31<sup>st</sup> October, 2008.

**17.2 Mass Media Support to Agriculture:** This scheme is focusing on two initiatives. The first is use of Doordarshan infrastructure for providing agriculture related information and knowledge to the farming community. 180 Narrow casting Centres, 18 Regional Centres and 1 National Centre of Doordarshan Kendras telecast agricultural programmes for 30 minutes, five days a week. Programmes of Regional Kendras and some Narrowcasting centres are being repeated the next day on respective Regional Satellite Channel. Audio/ Video spots on emerging issues viz. Rabi/Kharif campaign, Kisan Call Centre, Kisan Credit Card etc. are also publicized through the programme using free commercial time. Live 'Crop Seminars' on DD involving farmers and experts have also been organized.

17.3 The other component of the mass media initiative is use of 96 FM Transmitter of AIR to broadcast area specific agricultural programme with 30 minutes radio transmission in the evening six days a week.

17.4 **Kisan Call Centers** – The scheme was launched on 21<sup>st</sup> January'04 to provide agricultural information to the farming community through toll free telephone lines. A country wide common four digit number 1551 has been allocated for KCC. The replies to the queries of the farming community are being given in 21 local languages. Calls are attended from 6.00 am to 10.00 pm on all 7 days of the week. Since inception of the scheme, over 28.90 lakh calls have been received upto 30<sup>th</sup> September, 2008.

17.5 **Establishment of Agri-Clinic and Agri-Business Centres by Agriculture Graduates:** Agri-clinic and Agri-business Centres Scheme was launched on 9.4.2002 to provide extension services to farmers on payment basis through setting up of economically viable self – employment ventures. Selected trainees are provided agri-preneurship training for a period of two months by MANAGE through identified Nodal Training Institutions in various states, who also provide handholding support for one year. NABARD monitors the credit support to Agri-Clinics through Commercial Banks. Provision of credit-linked back-ended subsidy @ 25% of the capital cost of the project funded through bank loan as well as full interest subsidy for the first two years on the bank credit has recently been approved under the scheme. The subsidy would be 33.33% in respect of candidates belonging to SC, ST, women and other disadvantaged sections and those from North-Eastern and Hill states.

17.6 From the inception of the scheme 17123 unemployed agriculture Graduates have been trained upto 31<sup>st</sup> October, 2008.

## 18. **Agricultural Credit and Insurance**

18.1 Agriculture Credit plays an important role in improving agricultural production, productivity and mitigating the distress of farmers. Government has taken several

measures for improving agricultural credit flow and bringing down the rate of interest on farm loans. Important initiatives taken by the Government in recent years are:-

(i). A decision was taken by the Government in June, 2004 to double the flow of agriculture credit in three years with reference to base year 2003-04. The flow of agriculture credit since 2003-04 has consistently exceeded the target. Agriculture credit flow has increased from Rs.86981 crore in 2003-04 to Rs.287149 crore in 2008-09 and is targeted to reach Rs.325,000 crore during 2009-10. The achievement as on August, 2009 is Rs.113569 crore forming 35% of target.

(ii). From Kharif 2006-07, farmers are receiving crop loans upto a principal amount of Rs. 3 lakh at 7% rate of interest. Additional subvention of 1 per cent will be paid from this year, as incentive to those farmers who repay short term crop loans on schedule resulting in bringing down the rate of interest to 6 % p.a.

(iii). The limit of collateral free farm loan has been increased from Rs.10000 to Rs. 50,000 .

(iv). Initiative has been taken by Ministry of Agriculture to provide Kisan Credit Card to all the eligible and willing farmers in a time bound manner. To achieve this, the State Governments have been advised to launch an intensive branch/village level campaign. Upto July, 2009, 8.53 crore KCC have been issued.

(v). To relieve the burden of overdues the Government has waived/given relief through one time settlement to about 3.68 Crore farmers involving an amount of Rs. 65,318.33 crore. These farmers are now eligible to avail fresh credit from the banking system. Under One Time Settlement, Government has extended the time limit for repayment of dues to 31.12.2009 instead of 30.6.2009.

(vi). The Government is implementing revival package for Short-term Rural Cooperative Credit Structure involving financial outlay of Rs. 13,596 crore. Twenty-five State Governments have signed the MoU with Gol and NABARD. As on July, 2009, an amount of Rs.6639.09 crore has been released by NABARD as Gol share for recapitalisation of 39,431 PACS.

(vii). The Government has constituted a Task Force to look into the issue of a large number of farmers, who had taken loans from private money lenders in the country.

(viii). The Government is implementing a Rehabilitation Package for 31 suicide prone districts in the states of Andhra Pradesh, Karnataka, Kerala and Maharashtra involving financial outlay of Rs. 16978.69 crore. An amount of Rs.16688.75 crore has been released under this package till July, 2009.

(ix). Government has approved package for the Development of Kuttanad Wetland Eco-System with an outlay of Rs.1840.75 crore. Out of 26 projects submitted by the Government of Kerala amounting to Rs.375.90 crore 4 projects involving Rs,33.91 crore has been considered by the concerned Ministries/Department against which Rs.11.73 crore has been released. Under the package for Mitigation of Agrarian Distress in Idukki district with an outlay Rs.764.45 crore, the Government has sanctioned Pepper development programme in Idukki district to be implemented over a period of 5 years at a total cost of Rs.230.58 crore.

## **19. NATIONAL POLICY FOR FARMERS 2007**

19.1 The Government announced the National Policy for Farmers (NPF) in 2007 based on the recommendations of the National Commission on Farmers (NCF) set up under the Chairmanship of Prof. M.S. Swaminathan. The Policy document was laid on the Table of both the Houses of Parliament in November 2007.

19.2 Subsequently, an Inter-Ministerial Committee was constituted under the Chairmanship of the Principle Adviser, Department of Agriculture & Cooperation (DAC) for the preparation of a Plan of Action for operationalisation of the NPF, 2007. The Committee comprised officers of all the Central Ministries/Departments concerned as Members. The Committee held four meetings on 12.12.2007, 7.1.2008, 11.3.2008 and 16.5.2008 and also visited three states for holding discussions with the stakeholders. Based on these discussions, responses/suggestions received from various Ministries/Departments, a draft Plan of Action for Operationalisation of the NPF, 2007 was prepared and circulated to various Ministries/Departments concerned

as well as the State Governments/UTs for comments/vetting. The same was also placed on the website of DAC for wider dissemination and comments.

19.3 The Committee held two more meetings on 18.6.2008 and 27.6.2008 to discuss and finalize its report/Plan of Action. Based on the replies and comments received from various quarters, discussions held in the various meetings, the final Plan of Action for Operationalisation of NPF, 2007 has been approved by the Committee. This document contains the provisions of NPF in brief; schemes/programmes/action already implemented/initiated or under implementation; and further action required to be taken by the Ministry/Department concerned. A copy of the document is available on the website of this Department at <http://agricoop.nic.in/NPF/Draftplan.pdf>.

19.4 The above document, i.e., "Plan of Action for Operationalisation of the National Policy for Farmers, 2007" has been circulated in October, 2008 to all State Governments as well as the central Ministries/Departments concerned for necessary follow-up action. In order to monitor the progress of the Plan of Action as also the follow-up work on the other recommendations of the NCF, an Inter-Ministerial Committee has been constituted on 3<sup>rd</sup> June, 2009 and the Committee met recently on 14.10.2009. This Department is regularly pursuing the matter with all concerned through periodical communications.

## **20. Information and Communication Technology**

20.1 The DAC has developed four portals and 40 websites covering both Headquarters and its field offices/Directorates to make information and services accessible to the farming community. These portals are DACNET (<http://dacnet.nic.in>), AGMARKNET (<http://agmarknet.nic.in>), DAC (<http://agricoop.nic.in>) and INTRADAC (<http://intradac.nic.in>).

20.2 The **DACNET** portal aims to provide information and services to the farming community on a number of specific subjects. It includes:

i) A comprehensive portal on oilseeds which provides information on production programmes/schemes, varieties, crops, seeds availability, diseases related to oilseeds; progress of sowing of oilseed crops; rainfall, area, production and

yield data for the past more than a decade and information on all India prices of oilseeds, etc.

ii) Separate portals of Crops Directorates provide information on seed varieties, pest management, quality standards, production statistics, technology and governmental schemes relating to rice, wheat, sugarcane, millets, pulses, cotton, jute, tobacco and horticulture crops. Online weekly report of area sown, crop condition, and trend analysis for each major crop state-wise, are also available on this portal.

iii) Pesticides Registration Information System provides streamlined and simplified registration procedure through quality checks and online tracking of application status. Information on the Insecticides Act, registration procedure, list of banned products, pesticides statistics, product directory and recommendations on use of pesticides is also disseminated through this portal.

iv) Plant Quarantine Information System facilitates adoption of uniform procedures in issuance of phyto-sanitary certificates, import permits and import release orders; fast issuance of certificates on pre-printed stationery; acknowledgement of application received; monitoring of certificates issued; information dissemination on pests detected/ quantity imported/exported and revenue collected.

v) Website concerning farm machinery provides information on machinery tested, training schedules and modules and application forms for training.

vi) Website on organic farming provides information on production, marketing, training, field demonstration, status of organic farming in different states and FAQs on bio-fertilizers/organic farming.

20.3 **AGMARKNET** Portal (<http://agmarknet.nic.in>) provides information on (i) prices and arrivals of agricultural commodities at various Mandis in eight Indian languages; (ii) trend analysis of prices and arrivals at market/district/state level; and (iii) grading, packaging, standards, sanitary and Phyto sanitary requirements and marketing charges. Over 300 commodities and 2000 varieties from 1500 markets

are being covered. In all, 3700 markets are proposed to be covered during the Eleventh Plan. More commodities/varieties would be covered on a need basis. Information on prices and arrivals is updated on a daily basis. Conversion of this portal into other regional languages is in progress. A GIS-based National Agricultural Market Atlas for providing information on areas of production, movement, storage market/consumption centres, is also under development.

20.4 The **DAC** portal (<http://agricoop.nic.in>) provides information on schemes and programmes of DAC; Acts, Rules, reports, publications, documents, conferences, seminars, crop condition, reservoir levels, weather forecast, minimum support prices, etc.

20.5 The **INTRADAC** portal facilitates information dissemination within the headquarters of the DAC. Information on DAC personnel, Administration, Directorates, field units, conferences, seminars, office circulars/notices, agricultural news etc. is disseminated on this portal.

20.6 A number of other portals/websites are under development. These include:

(i) The **SEEDNET** India portal(<http://seednet.gov.in>) aims to bring all seed users under a closed-user-group and establish “Seed Informatics Online” and develop data-base on availability, supply and demand for different areas, facilitating the optimum utilization of seeds in the country.

(ii) Development of a web-based system has been taken up to facilitate the implementation of the National Horticulture Mission. A web-based system to facilitate monitoring of physical and financial progress of the Technology Mission on Horticulture in the North-Eastern Region has also been developed.

(iii) The first phase of the National Project on Computerization of Agricultural Census 2000-01 and Input Survey 2001-02 have been completed. It provides information on the number of operational holdings and the area operated by the corresponding holders. The data for the earlier census at national, state, district and tehsil level have been made available through the web for wider dissemination (<http://agcensus.nic.in>)

(iv) The **Kisan Call Centre** initiative was launched on 21<sup>st</sup> January, 2004. It aims to provide online information to farmers through toll free no. 1551. The entire country is covered under the scheme. The response to queries of farmers is given in 21 languages.

(v) DAC is supporting e-governance activities in the state agriculture and allied Departments through **AGRISNET**. Funds under AGRISNET are provided to the State/UT Governments on the basis of specific project proposal submitted by them.

(vi) The DAC has also taken up an initiative to prepare **National e-Governance Plan in Agriculture (NeGP-A)** with a view to promote focused and integrated implementation of e-governance activities in agriculture. The on-going e-Governance initiatives at DAC and under AGRISNET would also be integrated under NeGP-A.

## **21. Cooperative Education and Training**

21.1 The Government of India has been implementing a Central Sector Scheme for Cooperative Education and Training through the National Cooperative Union of India (NCUI) and the National Council for Cooperative Training (NCCT) since the 3<sup>rd</sup> Five year plan. It is a continuing scheme. The Scheme has following components:-

- a) Assistance for NCUI for implementing Cooperative Education Programmes
- b) Assistance to NCCT for implementing Cooperative Training Programmes
- c) Assistance to NCUI for implementing Junior Cooperative Training Centres (JCTCs) Programmes.
- d) Assistance to Centre for International Cooperation and Training for Agricultural Banking for conducting International Training in Agricultural Banking.

21.2 The programmes relating to Cooperative Education are being implemented by the NCUI. The National Cooperative Union of India has been implementing the Central Sector Scheme for Cooperative Education in cooperatively under developed States/under developed area of Developed States. The Government of India is

providing 100% grants in aid to NCUI for implementing the Special Scheme for Intensification of Cooperative Education in Cooperatively under Developed States. At present NCUI is running 44 projects.

21.3 The Cooperative Training Programmes are being implemented by National Council for Cooperative Training (NCCT) through its 5 Regional Institutes of Cooperative Management, 14 Institutes of Cooperative Management, located in different states and the Vaikunth Mehta National Institute of Cooperative Management, Pune. The Government of India provides 100 percent financial assistance in the form of grants-in-aid to NCCT for conducting cooperative training programmes.

21.4 From the year, 2004-2005, the Ministry of Agriculture, Department of Agriculture and Cooperation (DOAC) has introduced a new component in the Central Sector Scheme for Cooperative Education and Training for Assistance to Junior Training Centres (JCTCs) in conducting Training Programmes. Junior Cooperative Training Centres are financed and run by the State Cooperative Unions/State Governments.

### **Assistance to NCDC Programmes for Cooperative Development**

21.5 National Cooperative Development Corporation (NCDC) is a financing institution for Cooperative sector with the objective planning and promoting programmes for production, processing, marketing, storage, export and import of agricultural produce, food stuffs and certain notified commodities on cooperative principles for the benefit of agro-backward areas. The main objectives of the scheme are- (i) to assist the cooperative societies for modernization, expansion and diversification; (ii) to provide share capital; and (iii) to provide margin money etc.

21.6 Components of scheme are (i) Development of Cooperative Marketing, Processing and Storage programme in Cooperatively Underdeveloped States/UTs; (ii) Share Capital Participation in Growers/Weavers Cooperative Spinning Mills (iii) Integrated Cooperative Development Project (ICDP) in selected Districts and (iv) Assistance to National Cooperative Federations.

21.7 NCDC has assisted 524 cooperative societies under this scheme. Besides, 6 National level cooperative federations have also been assisted to strengthen their base and to implement promotional activities such as seminars, workshops, research projects etc.

21.8 Keeping in view of the tremendous growth of cooperatives with the financial assistance from NCDC for undertaking various cooperative activities for production, processing, marketing, storage, export and import of agriculture produce, food stuffs, notified commodities, and for the benefit of agro-producers, consumers etc., it is proposed to continue this scheme during the third year of 11<sup>th</sup> Five Year Plan also, with a budgetary support of Rs.52.00 crore for Annual Plan 2009-10.

### **Important Policy initiatives**

21.9 Multi-State Co-operative Societies Act, 2002:The Multi-State cooperative Societies Act, 2002 has been enacted with effect from 19.08.2002 replacing the Multi-State Cooperative Societies Act, 1984. The Act of 2002 has been enacted conforming to the thrust areas of reforms in co-operative legislation viz restoration of autonomous and democratic functioning without undue governmental intervention and political interference, responsive system of governance accountable to their members and professional management to ensure delivery of services to members. A proposal is under consideration of the Department to amend the Act.

21.10 Amendment to the Constitution in respect of Cooperatives: Pursuant to the Common Minimum Programme of the UPA Government to ensure the democratic, autonomous and professional functioning of cooperatives, it has been decided to amend the Constitution. The amendment to the Constitution, for the purpose, will address the key issues for empowerment of the co-operatives through their voluntary formation, autonomous functioning, democratic control and professional management.

21.11 The Constitution (One Hundred and Sixth Amendment) Bill, 2006 has been introduced in the Lok Sabha on 22<sup>nd</sup> May 2006. The Bill has lapsed upon dissolution

of the Lok Sabha. It has been proposed to re-introduce the Bill in the ensuing Winter Session of Parliament.

## **22 International Cooperation**

22.1 A number of countries have been seeking our support in the field of agriculture. We have been providing training for capacity building under the ITEC programme of Government of India in various training institutes under Ministry of Agriculture. We have also been engaged in cooperation with several other countries to enhance our capabilities in the field of agricultural research, training etc. to enhance our production and productivity and make Indian agriculture more efficient and competitive.

## MINIMUM SUPPORT PRICES

(According to Crop

Year)

(As on 31.08.2009)

(Rs. per quintal)

Sl. No.	Commodity	Variety	2005-06	2006-07	2007-08	2008-09	(#)	2009-10	(#)
							increase in MSP 2008-09 over 2007-08		increase in MSP 2009-10 over 2008-09
<b><u>KHARIF CROPS</u></b>									
1	PADDY	Common	570	580 <sup>^</sup>	645\$\$/850~	850&	205(31.8)	950	100(11.8)
		Grade 'A'	600	610 <sup>^</sup>	675\$\$/880~	880&	205(30.4)	980	100(11.4)
2	JOWAR	Hybrid	525	540	600	840	240(40.0)	840	0.0
		Maldandi	-	555	620	860	240(38.7)	860	0.0
3	BAJRA		525	540	600	840	240(40.0)	840	0.0
4	MAIZE		540	540	620	840	220(35.5)	840	0.0
5	RAGI		525	540	600	915	315(52.5)	915	0.0
6	ARHAR(Tur)		1400	1410	1550 <sup>^^</sup>	2000	450(29.0)	2300	300(15.0)
7	MOONG		1520	1520	1700 <sup>^^</sup>	2520	820(48.2)	2760	240(9.5)
8	URAD		1520	1520	1700 <sup>^^</sup>	2520	820(48.2)	2520	0.0
9	COTTON	F-414/H-777/J34	1760	1770*	1800*	2500 <sup>a</sup>	700(38.9)	2500 <sup>a</sup>	0.0
		H-4	1980	1990**	2030**	3000 <sup>aa</sup>	970(47.8)	3000 <sup>aa</sup>	0.0
10	GROUNDNUT IN SHELL		1520	1520	1550	2100	550(35.5)	2100	0.0
11	SUNFLOWER SEED		1500	1500	1510	2215	705(46.7)	2215	0.0
12	SOYABEEN	BLACK	900	900	910	1350	440(48.4)	1350	0.0
		YELLOW	1010	1020	1050	1390	340(32.4)	1390	0.0
13	SESAMUM		1550	1560	1580	2750	1170(74.1)	2850	100(3.6)
14	NIGERSEED		1200	1220	1240	2405	1165(94.0)	2405	0.0
<b><u>RABI CROPS</u></b>									
15	WHEAT		650\$	750\$\$	1000	1080	80(8.0)		
16	BARLEY		550	565	650	680	30(4.6)		
17	GRAM		1435	1445	1600	1730	130(8.1)		
18	MASUR (LENTIL)		1535	1545	1700	1870	170(10.0)		
19	RAPESEED/MUSTARD		1715	1715	1800	1830	30(1.7)		
20	SAFFLOWER		1565	1565	1650	1650	0(0)		
21	TORIA		1680	1680	1735	1735	0(0)		
<b><u>OTHER CROPS</u></b>									
22	COPRA	Milling	3570	3590	3620	3660	40(1.1)	4450	790(21.6)
	(Calender Year)	Ball	3820	3840	3870	3910	40(1.0)	4700	790(20.2)
23	DE-HUSKED COCONUT (Calender Year)		-	-	-	988	-	1200	212(21.5)

24	JUTE		910	1000	1055	1250	195(18.5)		
25	SUGARCANE		79.50	80.25	81.18	81.18	0(0.0)	107.76	26.58(32.7)
26	TOBACCO(VFC)	Black Soil(F2 Gr)	32.00	32.00	32.00				
	(Rs. per kg.)	Light Soil (L2 Gr)	34.00	34.00	34.00				

Figures in brackets indicate percentage

# increase.

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

\$

An additional incentive bonus of Rs. 100 per quintal was payable over the Minimum Support Price(MSP).

\$\$

An additional incentive bonus of Rs. 40 per quintal was payable on procurement between 1.10.2006 to 31.03.2007.

^

In case of Bihar and Kerala additional incentive bonus extended upto 31.5.2007 and in case of Andhra Pradesh, chhatisgarh, Orissa, Tamil Nadu and West Bengal additional incentive bonus extended upto 30.9.2007.

\*

Medium Staple.

\*\*

Long Staple.

A bonus of Rs. 40 per quintal was payable over & above the MSP.

^^

From 12.06.2008

Staple length (mm) of 24.5 - 25.5 and Micronaire value of 4.3 - 5.1

a

Staple length (mm) of 29.5 - 30.5 and Micronaire value of 3.5 - 4.3

aa

Bonus of Rs. 50 per quintal is payable over the Minimum Support Price (MSP)

&