

### Movement of Agricultural prices vis-à-vis Industrial Prices

5.59 The movement in the wholesale price index for agricultural and industrial products since the early eighties indicates that agricultural product prices have moved faster relative to the prices of industrial products, (Table 5.13). This is because in recent years, the agricultural price policy has attempted to correct the earlier policy bias favouring industry. The current agricultural policy aims at providing more incentives to the agricultural producers by not only providing price support to farmers, but also by providing more incentives to agricultural producers through lifting of the restrictions on agricultural trade domestically as also facilitating export of agri products.

<b>TABLE 5.13</b>				
<b>Index Numbers of Wholesale Prices of Agricultural Commodities Relative to Manufactured Products</b>				
Year	General Index of Wholesale Prices	Price Index of Agricultural Products	Price Index of Manufactured Products	Agriculture Price index as percent of Manufacturing
<b>Base : 1981-82=100</b>				
1982-83	104.9	107.3	103.5	103.7
1983-84	112.8	121.4	109.8	110.6
1984-85	120.1	129.2	117.5	110.0
1985-86	125.4	129.1	124.4	103.8
1986-87	132.7	142.8	129.2	110.5
1987-88	143.5	161.8	138.5	116.8
1988-89	154.2	170.9	151.6	112.7
1989-90	165.7	174.4	168.6	103.4
1990-91	182.7	198.3	182.8	108.5
1991-92	207.8	236.8	203.4	116.4
1992-93	228.7	255.5	225.6	113.3
1993-94	247.8	271.4	243.2	111.6
<b>Base : 1993-94=100</b>				
1994-95	112.6	112.3	116.1	103.4
1995-96	121.6	121.9	125.9	103.3
1996-97	127.2	124.4	136.4	109.7
1997-98	132.8	128.0	140.3	109.6
1998-99	140.7	133.6	157.2	117.7
1999-00	145.3	137.2	159.1	115.9
2000-01(Apr-Dec)	154.3	140.6	164.2	116.8
* Composite index of the sub-groups - Food Articles and Non-food Articles				