

Minimum Support Price

5.32 Keeping in view the interests of the farmers as also the need for self reliance, Government has been announcing Minimum Support Prices (MSP) for 24 major crops including paddy, wheat, jowar, bajra, maize, ragi, pulses, oilseeds, copra, cotton, jute, sugarcane and tobacco. Keeping in view the hardships suffered by the farmers in the

drought last year, MSP of wheat for the 2003-04 season was raised to Rs.630/quintal while that of paddy was raised to Rs. 550 per quintal for common variety and to Rs.580 per quintal for Grade A variety (Table 5.12). The special drought relief of Rs.20 per quintal for paddy and Rs.10 per quintal for wheat announced for the 2002-03 season were absorbed in the MSP for 2003-04 season.

Table 5.12 : Minimum Support/Procurement Price of wheat and paddy

(Rs/quintal)

Crop Year	Wheat		Paddy				
	MSP	change (per cent)	Common	change (per cent)	Fine	Super fine	Grade 'A'
1992-93	330	20.0	270	17.4	280	290	-
1993-94	350	6.1	310	14.8	330	350	-
1994-95	360	2.9	340	9.7	360	380	-
1995-96	380	5.6	360	5.9	375	395	-
1996-97	475	25.0	380	5.6	395	415	-
1997-98*	510	7.4	415	9.2	-	-	455
1998-99	550	7.8	440	6.0	-	-	470
1999-00	580	5.5	490	11.4	-	-	520
2000-01	610	5.2	510	4.1	-	-	540
2001-02	620	1.6	530	3.9	-	-	560
2002-03	620 \$		530\$	0.0	-	-	560\$
2003-04	630	1.6	550	3.8			580

For MSP of other crops, see Appendix-5.5.

* Effective 1997-98, MSP is fixed for only two varieties of paddy, common and grade-A.

\$ One Time Special Drought Relief of Rs. 20/- per quintal was given in the case of paddy over and above the existing MSP and for wheat the Special Drought Relief was Rs. 10/- per quintal.

Source : Ministry of Agriculture.