



# Agricultural Production and Market Outlook

The Rising Agriculture....

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## Minimum Support Prices (MSP) for Kharif Crops of 2016-17 season

Government has approved for the increase in the Minimum Support Prices (MSPs) for all kharif crops of 2016-17 season. The government hiked the minimum support price of paddy common variety to Rs 1,470 per quintal, while A grade variety paddy has been increased to Rs 1,510 per quintal for 2016-17 kharif season. The decision in this regard was taken in the meeting of the Cabinet Committee of Economic Affairs (CCEA). In case of cotton, the CCEA has approved Rs 60 per quintal jump in MSP of medium staple cotton to Rs 3,860 for 2016-17 and for long staple cotton to Rs 4,160 per quintal.

In case of pulses, the government has hiked MSP substantially for 2016-17 kharif seasons to boost domestic production and reduce the country's

### CENTRE'S FINGER ON THE PULSES

Kharif MSP for 2016-17 & earlier  
(All figures in ₹/quintal)

Crop	2015-16	2016-17	% change between 2015-16 & 2016-17
Paddy*	1,410	1,470	4.3
Maize	1,325	1,365	3.0
Tur(arhar)	4,625	5,050	9.2
Moong	4,850	5,225	7.7
Urad	4,625	5,000	8.1
Long staple cotton	4,100	4,160	1.5

\*common variety

Source: Ministry of agriculture

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Agro-Economic Research  
Centre, Sardar Patel  
University  
Vallabh Vidyanagar 388120  
Anand, Gujarat.

dependence on imports. The MSP of kharif pulses, namely Tur (Arhar), Moong (Green gram) and Urad (Black gram) have been raised by a hefty Rs. 425 a quintal over last year MSP, to send the right signals to growers.

A bonus of Rs 200/- per quintal for Sesamum and a bonus of Rs 100/- per quintal for other kharif oilseeds namely, Groundnut-in-shell, Sunflower seed, Soyabean, and Nigerseed is announces. There is an increasing gap between the demand and domestic supply of pulses as well as oilseeds and reliance on import is increasing. Government has, therefore, announced this bonus on pulses and oilseeds to give a strong price signal to farmers to increase acreage and invest for increase in productivity of these crops. The increase in cultivation of leguminous pulses and oilseeds will also have additional environmental benefits as these crops are less water consuming and help in nitrogen fixation in the soil. The details of MSPs and bonus for all Kharif Crops of 2016-17 season are given in table.

**Table: MSP for kharif crops 2016-17**

Commodity	Variety	MSP for	MSP for	Increase		Bonus
				Absolute	% age	
		Rs/ Quintal	Rs/ Quintal	Rs/ Quintal	%	Rs/
Paddy	Common	1410	1470	60	4.3	-
	Grade A	1450	1510	60	4.1	-
Jowar	Hybrid	1570	1625	55	3.5	-
	Maldandi	1590	1650	60	3.8	-
Bajra	-	1275	1330	55	4.3	-
Maize	-	1325	1365	40	3	-
Ragi	-	1650	1725	75	4.5	-
Tur (Arhar)	-	4625	5050	425	9.2	425
Moong	-	4850	5225	375	7.7	425
Urad	-	4625	5000	375	8.1	425
Groundnut-in-shell	-	4030	4220	190	4.7	100
Soyabean*	Yellow	2600	2775	175	6.7	100
Sunflower Seed	-	3800	3950	150	3.9	100
Nigerseed	-	3650	3825	175	4.8	100
Sesamum	-	4700	5000	300	6.4	200
Cotton	Medium Staple	3800	3860	60	1.6	-
	Long Staple	4100	4160	60	1.5	-

Note: \*MSP of soyabean will be applicable to both yellow and lack varieties

## NDP-I is Being Implemented in the 18 Major Milk Producing States



Under NDP-I considering the potential for implementation of Ration Balancing Programme, Fodder Development and Village Based Milk Procurement System. Accordingly, NDP-I is being implemented in the 18 major milk producing States of Uttar Pradesh, Punjab, Haryana, Gujarat, Rajasthan, Madhya Pradesh, Bihar, West Bengal, Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana (after bifurcation of Andhra Pradesh), Orissa, Jharkhand, Chhattisgarh, Uttarakhand and Kerala these state together constitute 90% of the milk production of our country.

The key output of NDP-I are given below.

## The key outputs of NDP-I

<b>Production of High Genetic Merit(HGM) cattle and buffalo bulls</b> <ul style="list-style-type: none"><li>• Production of 2,500 HGM bulls</li><li>• Import of 400 exotic bulls/ equivalent embryos</li></ul>
<b>Strengthening of “A” and “B” graded Semen Stations</b> <ul style="list-style-type: none"><li>• Production of 100 million semen doses annually in the terminal year</li></ul>
<b>Pilot Model for Viable Doorstep AI delivery Services</b> <ul style="list-style-type: none"><li>• 3000 MAITs carrying out annual 4 million doorstep AIs by the terminal year</li></ul>
<b>Ration Balancing Programme</b> <ul style="list-style-type: none"><li>• Coverage of 2.7 million milch animals in 40,000 villages</li></ul>
<b>Fodder Development Programme</b> <ul style="list-style-type: none"><li>• Production of 7,500 tonnes of certified/ truthfully labelled fodder seed</li><li>• 1350 silage making/ fodder conservation demonstrations</li></ul>
<b>Strengthening and Expanding Milk Procurement System at Village level</b> <ul style="list-style-type: none"><li>• 23,800 additional villages to be covered</li><li>• 1.2 million additional milk producers to be enrolled</li></ul>

## Promotion of green house technologies under the component ‘protected cultivation’



The Ministry of Agriculture and Farmers Welfare, Government of India under the scheme “Mission for Integrated Development of Horticulture” promotes green house technologies under the component ‘protected cultivation’. Assistance to the extent of 50% is provided to the farmers for establishment of various types of greenhouses upto 4000 sq. mts. per beneficiary.

The Indian Council of Agricultural Research (ICAR) has standardized low cost net and poly houses for cultivation of important high value vegetable crops like green and coloured capsicum, english cucumber, bottle gourd, brinjal and tomato which are being disseminated to the farming community. These protected structures are good for off-season production, help in improvement of yield by 65-80%, improve quality and protect from insects and diseases.

## Farmers may reduce cotton acreage to have better price at harvest



Last year in India, the cotton acreage had decreased to about 117 lakh ha as against 130.93 lakh ha in 2014-15. Besides, as affected by late sowing, poor monsoon, severe damage by white fly in Punjab and Haryana, and pink boll worm in Gujarat, the production has been decreased to about 305 lakh bales (third advance estimates dt. 9-5-2016) as against 348 lakh bales in 2014-15. Hence, the cotton price which was ruling around Rs. 4300 per quintal in November, 2015 gradually increased to around Rs. 4800 per quintal in April, 2016. The world cotton production was also declined by 16 per cent in 2015-16 as compared to previous year; however, cotton prices at world level remained stable as the ending stock declined by 8 per cent to 1198 lakh bales in 2015-16 (as against 1307 lakh bales in 2014-15), but still it is quite large, will cap the prices in ensuing season.

In Gujarat, the acreage under cotton was estimated about 27.19 lakh ha in 2015-16 same as previous year and production is estimated about 91 lakh

bales, as against 96 lakh bales in 2014-15. Hence, the price trend remained upside at harvesting in 2015-16.

During 2015-16, at country level, the cotton consumption is estimated about 304 lakh bales which were about 315 lakh bales in 2014-15. The export of cotton from India was slightly increased to about 70 lakh bales in 2015-16, which also gave support to keep price upside. The ending stock of 2015-16 in the country is expected around 19 lakh bales only, as against 80 lakh bales in 2014-15. Expecting the normal to good monsoon in 2016-17 in India in ensuing season, also there is less chance to increase export due to large stockpile in China and at world level. Hence, farmers may reduce area under cotton cultivation at least by 15 per cent to have better price in 2016-17 harvesting season. The Government has fixed MSP of cotton Rs. 832 per 20 kg (Rs. 4160 per quintal) for the current year.

Looking to the overall situation of cotton stock, production and consumption at globe and in India, the research team of Department of Agricultural Economics, Junagadh Agricultural University, Junagadh, analysed the historical monthly price data of cotton collected from Gondal APMC. The econometric analysis of cotton price revealed that the prices of cotton during November, 2016 to February, 2017 may remain in the range of Rs. 860 to 960 per 20 kg (4300 – 4800 Rs/ql). This may be taken a note by farmers for deciding their cropping scheme as suitable to them keeping above price level in view.

Book Post

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From:

**Agro-Economic Research Centre**

*For the states of Gujarat and Rajasthan*

(Ministry of Agriculture & Farmers Welfare, Govt. of India)

H.M. Patel Institute of Rural Development,

Opp. Nanadalaya Temple, Post Box No. 24,

**Sardar Patel University**

Vallabh Vidyanagar 388120, Anand, Gujarat

Ph.No. +91-2692-230106, 230799, Fax- +91-2692-233106

E-mail : [director.aerc@gmail.com](mailto:director.aerc@gmail.com)

Website: [www.aercspu.ac.in](http://www.aercspu.ac.in)

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