

Government of India Resolutions on the Terms of
Reference of the Agricultural Prices Commission

No.6-2/65-C(E)

Government of India
Ministry of Food & Agriculture
(Department of Agriculture)

New Delhi, the 8th January, 1965.

RESOLUTION

Government of India have had under consideration for some time the question of setting up a body to provide advice on a continuing basis on agricultural price policy, and price structure in the context of the need to raise agricultural production and give relief to the consumer. They have now decided to set up an Agricultural Prices Commission with Prof. M.L. Dantwala, Head of the Department of Economics, University of Bombay, as Chairman.

The terms of reference of the Commission shall be as follows:-

1. To advise on the price policy of agricultural commodities, particularly paddy, rice, wheat, jowar, bajra, maize, gram and other pulses, sugarcane, oilseeds, cotton and jute with a view to evolving a balanced and integrated price structure in the perspective of the overall needs of the economy and with due regard to the interests of the producer and the consumer.

1.1 While recommending the price policy and the relative price structure, the Commission may keep in view the following:-

- i) The need to provide incentive to the producer for adopting technology and for maximising production;
- ii) The need to ensure rational utilisation of land and other production resources;

- iii) The likely effect of the price policy on the rest of the economy, particularly on the cost of living, level of wages, industrial cost structure, etc.

1.2 The Commission may also suggest such non-price measures as would facilitate the achievement of the objectives set out above.

2. To recommend from time to time, in respect of different commodities, measures necessary to make the price policy effective.

3. To examine, where necessary, the prevailing methods and cost of marketing of agricultural commodities in different regions, suggest measures to reduce costs of marketing and recommend fair price margins for different stages of marketing.

4. To keep under review the developing price situation and to make appropriate recommendations, as and when necessary, within the frame-work of the overall price policy.

5. To keep under review studies relating to the price policy and arrangements for collection of information regarding agricultural prices and other related data and suggest improvements in the same.

6. To advise on any problems relating to agricultural prices and production that may be referred to it by Government from time to time.

The Commission will maintain close touch with other agencies dealing with matters having a bearing on prices and production, including the steering group on Wages, Income and Saving Policy and the Food Corporation of India. The Commission will determine its own procedures. It will be free to call for notes, memoranda, results of studies, data and any other material relevant to its work from official and non-official bodies, and hold discussions with them.

The Commission will submit reports to Government as and when necessary in respect of different commodities or groups thereof. The Commission is set up initially for a period of three years and may continue thereafter as long as necessary.

Sd/- G.R. Kamat
Secretary to the Government of India

No.6-32/69-Econ.Py.
Government of India
Ministry of Food, Agriculture, C.D. & Coopn.,
(Department of Agriculture)

New Delhi, the 26th May, 1970
5th Jyaishtra, 1892 (Saka)

RESOLUTION

The Government of India have decided that the Agricultural Prices Commission, which was set up in the Ministry of Food and Agriculture (Department of Agriculture) Resolution No.6-2/65-C(E) dated the 8th January, 1965, be placed on permanent footing with effect from the 1st May, 1970.

It has also been decided that the following item will be added to the term of reference of the Commission:-

"7. To undertake studies in respect of plantation crops in the manner prescribed by Government from time to time".

Sd/- T.P. Singh
Secretary to the Government of India

(To be published in Part I Section I of the Gazette of India)

No.14011/2/78-Econ.Py.
Government of India (Bharat Sarkar)
Ministry of Agriculture (Krishi Mantralaya)
Department of Agriculture and Cooperation
(Krishi aur Sahkarita vibhag)

New Delhi, the 5th March, 1980.

RESOLUTION

The Agricultural Prices Commission was set up in January, 1965 to advise on the price policy of agricultural commodities with a view to evolving a balanced and integrated price structure in the perspective of the overall needs of the economy and with due regard to the interests of the producer and the consumer. Over the years, the Commission has helped in the evolution of a stable and positive price policy for agricultural commodities.

The agricultural situation has considerably changed since the setting up of the Commission. The area under irrigation and intensity of cropping are going up steadily. Consumption of fertilizers and pesticides has increased. Investment in Agriculture through institutional and other sources has risen. A number of policy decisions have been taken to give high priority to Agriculture and Rural Development.

Agricultural production has as a result of these steps achieved a reasonable degree of stability and a process of increasing market orientation of the agricultural sector has set in. It is hence considered necessary to modify and expand the terms of reference of the Agricultural Prices Commission.

...2/-

The terms of reference of the Commission would be as under:-

1. To advise on the price policy of paddy, rice, wheat, jowar, bajra, maize, ragi, barley, gram, tur, moong, urad, sugarcane, groundnut, soyabean, sunflowerseed, rapeseed and mustard, cotton, jute, tobacco and such other commodities as the Government may indicate from time to time with a view to evolving a balanced and integrated price structure in the perspective of the overall needs of the economy and with due regard to the interests of the producer and the consumer.
2. While recommending the price policy and the relative price structure, the Commission may keep in view the following:
 - i) The need to provide incentive to the producer for adopting improved technology and for developing a production pattern broadly in the light of national requirements;
 - ii) The need to ensure rational utilisation of land, water and other production resources;
 - iii) The likely effect of the price policy on the rest of the economy, particularly on the cost of living, level of wages, industrial cost structure, etc.
3. The Commission may also suggest such non-price measures as would facilitate the achievement of the objectives set out in 1 above.
4. To recommend from time to time, in respect of different agricultural commodities, measures necessary to make the price policy effective.
5. To take into account the changes in terms of trade between agricultural and non-agricultural sectors.
6. To examine, where necessary, the prevailing methods and cost of marketing of agricultural commodities in different regions, suggest measures to reduce costs of marketing and recommend fair price margins for different stages of marketing.

7. To keep under review the developing price situation and to make appropriate recommendations, as and when necessary, within the framework of the overall price policy.

8. To undertake studies in respect of different crops as may be prescribed by Government from time to time.

9. To keep under review studies relating to the price policy and arrangements for collection of information regarding agricultural prices and other related data and suggest improvements in the same, and to organise research studies in the field of price policy.

10. To advise on any problems relating to agricultural prices and production that may be referred to it by Government from time to time.

The Commission will maintain close touch with other agencies dealing with matters having a bearing on prices and production, including the Food Corporation of India, the Cotton Corporation of India and the Jute Corporation of India.

The Commission will determine its own procedures. It will be free to call for notes, memoranda, results of studies, data and any other material relevant to its work from official and nonofficial bodies, and hold discussions with them.

The Commission will submit reports to Government as and when necessary in respect of different commodities or groups thereof.

Sd/

(M.S. Swaminathan)

Secretary to the Government of India

No.14028/1/85-Econ. Admn.
Government of India
Ministry of Agriculture and Rural Development,
(Department of Agriculture and Cooperation)

New Delhi, dated the 18th March, 1985
Saka 27th Phalguna, 1906

RESOLUTION

The Agricultural Prices Commission, which was set up vide Ministry of Food and Agriculture (Department of Agriculture) Resolution No.6-2/65-C(E) dated 8.1.1965, will now be known as Commission for Agricultural Costs and Prices with immediate effect.

The terms of reference of the Commission, as originally set out in the Resolution dated 8.1.1965, referred to above, and subsequently revised vide Ministry of Agriculture (Department of Agriculture and Cooperation)'s Resolution No.14011/2/78-Econ.Py. dated 5.3.1980 remain unchanged.

Sd/-
(M. Subramanian)
Secretary to the Government of India.

IMMEDIATE

No. 30006/1/94-EA
Government of India
Ministry of Agriculture
(Department of Agriculture & Cooperation)

.....
Krishi Bhavan, New Delhi,
dated 3.8.94

Sub:- Inclusion of Niger seed and Sesamum to suggest Minimum Support Price.

....

The undersigned is directed to say that the issue for including Niger seed and Sesamum under the Minimum Support Price Scheme of CACP from the year 94-95 onwards was under consideration for some time.

2. Now with the approval of Agriculture Minister, it has been decided to include Niger seed and Sesamum in the Minimum Support Price Scheme of CACP from 1994-95 onwards. Accordingly CACP is requested to suggest Minimum Support Price of sesamum and niger seed in addition to the edible oilseeds already covered by them.

3. It has also been decided that Dte. of E&S should generate Cost Estimates for the produce based on scientific studies for supplying to CACP and the Scheme for Studying the Cost of Cultivation of Principal Crops, sesamum is covered in Rajasthan and UP presently, The scheme may be extended to other States where sesamum is produced. For Niger seed, which is presently not covered under the scheme, it would be necessary to collect data through survey and cost accounting methods. ESA ~~is requested~~ is requested to finalise the methodology etc. in consultation with the major niger seed producing States such as MP and Orissa for implementation of Cost cultivation of scheme with regard to Niger seed. Market Intelligence Units should also be asked to report the price of these commodities on all India basis.

4. CACP & Dte. of E&S are requested to take necessary action on the above decision.


(M.R. Kapur)

Under Secretary to the Govt. of India

1. E.S.A., Dte. of E&S, Krishi Bhavan, New Delhi.
2. Member Secretary, CACP, Shastri Bhavan, New Delhi.

Copy to:-

P.S. to A.M.
P.S. to A.S. (D)
P.S. to J.S. (PC)

Most Immediate

Government of India
Ministry of Agriculture
Department of Agriculture & Cooperation
Krishi Bhawan, Dr. Rajendra Prasad Road, New Delhi-110001.

F.No.A-49011/1/2001-EA

Dated : 12th March, 2001.

To,

✓ The Member-Secretary,
Commission for Agricultural Costs and Prices,
Krishi Bhawan, New Delhi.

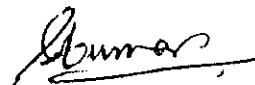
Subject: Inclusion of Lentil under Minimum Support Price Scheme --- regarding.

Sir,

I am directed to forward herewith a D.O. letter bearing No.6-1/98-FES-ES dated 8th March, 2001 from Economic & Statistical Adviser, Directorate of Economic & Statistics addressed to Shri K.D. Sinha, Jt. Secy.(EA), Deptt. of Agril. & Coopn. on the subject cited above and to request that the Lentil may please be included under the Minimum Support Price Scheme from 2001-2002 and make their price recommendation for Lentil from the coming season. As per aforesaid D.O. this has been desired by the Hon'ble Agriculture Minister.

Encls: one.

Yours faithfully,



(SUKUMAR)

Under Secretary to the Govt. of India

- ① Pl. give a copy a copy to Cost-Dev. of Sh. Shukla.
- ② This will be included in the Paker report for 2001-2002 season.

me
12/3/2001

J.S. (A)

A.D. (R.P.S.)

T.D. (A. Tulkar)

R.P. Singh
17/3/2001
MS C.A.C.P.
970
12/3/2001

अर्थ एवं सांख्यिकी सलाहकार
भारत सरकार, कृषि मंत्रालय
कृषि एवं सहकारिता विभाग
(अर्थ एवं सांख्यिकी निदेशालय)
कृषि भवन, नई दिल्ली-110001



Economic & Statistical Adviser
Government of India, Ministry of Agriculture
(Department of Agriculture & Cooperation)
Directorate of Economics & Statistics
Krishi Bhawan, New Delhi-110001

MOST IMMEDIATE/SECRET

D.O.No. 6-8/2001-FES-ES

July 9, 2002

Dear Shri *Roy*

Please refer to your letter dated the 19th June, 2002, regarding the Government's decision to bring pulse peas under the purview of the Minimum Support Price (MSP) Scheme.

The decision to bring pulse peas under the purview of the MSP system has been reviewed and it has been decided not to announce the MSP of pulse peas for the present.

With regards,

[Signature]
Yours sincerely,
(D.K. Trehan)

**Shri S.K. Roy,
Member Secretary,
CACP, Krishi Bhawan,
New Delhi-110 001.**

Amrta. S. Ahluwalia
[Signature]
11/7/02

Dir(CSP)
Dir(VI)
[Signature]
11/7/02

11.6.
11/7/2002

[Signature]
15/7/02

URGENT

No. 3-4/2009-CS(S)-ES
Government of India
Ministry of Agriculture
Department of Agriculture and Cooperation
Directorate of Economics and Statistics
Cost Study Division

Krishi Bhawan, New Delhi-110 001
Dated the 4th September, 2009

Subject: Gazette Notification of Terms of Reference of Commission for
Agricultural Cost and Prices (CACP).

Please refer to your letter No. 1-3/08(F)/CACP dated 12th March 2009.
As desired a copy of the Resolution of Terms of Reference, CACP is annexed *(both in Hindi & English)*. This has been sent for publication in the Official Gazette by the Economic Administration, Department of Agriculture and Cooperation vide EA reference No. A. 49011/6/2009-EA dated 30th July, 2009.

Enclosed: a/a

Sanjay
Sanjay 08.09.09
Deputy Statistical Adviser

Dr. K.G. Radhakrishnan,
Member Secretary (CACP)
Krishi Bhawan, New Delhi-1

Reg
10-9-09
J.D. (AS)
DD (AS)
H. Rajesh / Sr. in-charge (E.O.)
for record N.

F.No.A.49011/6/2009-EA
Government of India
Ministry of Agriculture and Cooperation
Department of Agriculture and Cooperation

Krishi Bhawan, New Delhi, the 30th July, 2009.

RESOLUTION

The Agricultural Prices Commission was set up vide Ministry of Food and Agriculture (Department of Agriculture) Resolution No.6-2/65-C(E) dated 8.1.1965. This was renamed as Commission for Agricultural Costs and Prices (CACP) vide Resolution No.14028/1/85-Econ. Admn. dated the 18th March, 1985.

The Terms of Reference of the Commission, were originally set out in the Resolution dated 8.1.1965, referred to above and subsequently revised vide Ministry of Agriculture (Department of Agriculture and Cooperation)'s Resolution No.14011/2/78-Econ.Py. dated 5.3.1980. The Terms of Reference have been reviewed in the changing policy paradigm and Government has decided to add/revise TORs.

Accordingly, Terms of Reference of the Commission would be as under:

1. To advise on the price policy of paddy/rice, wheat, jowar, bajra, maize, ragi, barely, gram, tur, moong, urad, sugarcane, groundnut, soyabean, sunflower seed, rapeseed, mustard, cotton, jute, tobacco, sesamum, nigerseed, lentil (masur), safflower, copra and such other commodities as the Government may decide from time to time, with a view to evolving a balanced and integrated price structure in the perspective of the overall needs of the economy and with due regard to the interests of the producer and the consumer.
2. While recommending the price policy and the relative price structure, the Commission may keep in view the following:-
 - a) The need to provide incentive to the producer for adopting improved technology and for developing a production pattern broadly in the light of national requirements.
 - b) The need to ensure rational utilisation of land, water and other production resources.

Cond...2/-

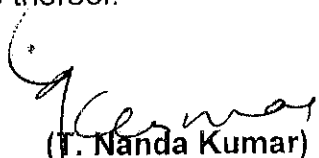
c) The likely effect of the price policy on rest of the economy, particularly on the cost of living, level of wages, cost structure of agro-based products and the competitiveness of agriculture and agro-based commodities.

3. The Commission may also suggest such non-price measures related to credit policy, crop and income insurance and other sectors as would facilitate the achievements of the objectives set out in 1 above.
4. ~~To recommend from time to time, in respect of different agricultural commodities, measures necessary to make the price policy effective.~~
- ✓ 5. ~~To take into account the changes in terms of trade between agricultural and non-agricultural sectors.~~
- ✓ 6. ~~To examine, where necessary, the prevailing methods and cost of marketing of agricultural commodities in different regions, suggest measures to reduce costs of marketing and recommend fair price margins for different stages of marketing.~~
- ✓ 7. ~~To keep under review the developing price situation and to make appropriate recommendations, as and when necessary, within the framework of the overall price policy.~~
8. To undertake studies in respect of different crops as may be prescribed by Government from time to time.
9. To keep under review studies relating to the price policy and arrangements for collection of information regarding agricultural prices and other related data and suggest improvements in the same, and to organise research studies in the field of price policy.
10. ~~To advise on any problems relating to agricultural prices and production that may be referred to it by Government from time to time.~~
11. To effectively integrate the recommended non-price measures with price recommendations and to ensure competitive agriculture.

The Commission will maintain close touch with other agencies dealing with matters having a bearing on prices and production, including the Food Corporation of India, the Cotton Corporation of India and the Jute Corporation of India.

The Commission will determine its own procedures. It will be free to call for notes, memoranda, results of studies, data and any other material relevant to its work from official and non-official bodies and hold discussions with them.

The Commission will submit reports to Government as and when necessary in respect of different commodities or groups thereof.

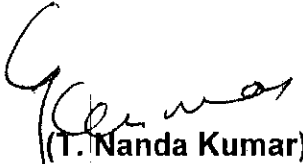

(T. Nanda Kumar)
Secretary to the Government of India

Endorsement No.A.49011/6/2009-EA

Dated 30th July, 2009

ORDERED that a copy of the Resolution be communicated to all the Ministries and Departments of the Government of India, all the State Governments and Union Territories, Planning Commission, Cabinet Secretariat, President's Secretariat, Lok Sabha Secretariat, Rajya Sabha Secretariat, Prime Minister's Office, Comptroller and Auditor General of India and all Attached and Subordinate Offices under the Ministry of Agriculture (Department of Agriculture and Cooperation).

ORDERED also that the Resolution be published in the Gazette of India for general information.


(T. Nanda Kumar)

Secretary to the Government of India

The General Manager,
Government of India Press,
Faridabad, Haryana.

Endorsement No.A.49011/6/2009-EA, dated : 30th July, 2009.

Copy forwarded for information to:-

- ✓ 1. PS to Minister (Agriculture).
2. PS to Minister of State for Agriculture.
3. PPS to Secretary (A&C)/Secretary (Food, Civil Supplies and Public Distribution)
4. PPS to Principal Adviser and all Addl. Secretaries in the Department of Agriculture and Cooperation.
5. All the Joint Secretaries in the Department of Agriculture and Cooperation.


(D.K. Roy)

Under Secretary to the Government of India