

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary - Public

Date: 6/10/2014

GAIN Report Number: IN4044

India

Post: New Delhi

Government Fiscal Support of Agriculture

Report Categories:

Agriculture in the Economy

National Plan

Trade Policy Monitoring

Approved By:

Allan Mustard

Prepared By:

Allan Mustard

Report Highlights:

India has reported its domestic agricultural support levels to the World Trade Organization only through 2003. It is thus useful to review India's recent budgets for support of agriculture. These figures include publicly available budgetary expenditure data on all support, including possible Green Box measures. The report does not estimate the effective market price support provided through administered prices.

Executive Summary:

The Government of India has reported its domestic agricultural support levels to the World Trade Organization only through 2003, despite WTO rules requiring regular annual reporting of domestic support levels. Thus it is useful to collate publicly available information on recent budgets and expenditures by both the Indian central government (“union government”) and the various states, since under the Indian constitution agriculture is a “state subject.” Disaggregation of these figures to separate expenditures on general services from expenditures on direct support for producers is impeded by lack of access to sufficiently granular data in all but a handful of states, but the data available nonetheless provide valuable insights into the structure of Indian government spending on agricultural support. The report does not estimate the effective market price support provided through administered prices.

In toto, based on publicly available data, rupee-denominated spending on agriculture from public exchequers increased significantly each year from INR 10.9 trillion in Indian fiscal year (IFY) 2009/10 to INR 17.2 trillion in IFY 2013/14. In dollar terms, spending on agriculture between Indian fiscal years 2009/10 and 2012/13 rose from an estimated \$67.63 billion to \$84.99 billion, then fell slightly in IFY 2013/14 to \$84.70 billion, primarily due to the weakening of the Indian rupee relative to the dollar in that year (see Table 16). The 2013/14 level represented 29.8% of gross agricultural product.

Of those figures, over half of the budgeted amounts passed through the state government budgets in the form of support for various central- and state “schemes” and “missions” as well as for education, extension, scientific research, rural development, resource conservation, irrigation infrastructure, and other activities that are not directly coupled to production incentives. Fertilizer subsidies, paid out to fertilizer companies, constituted between \$11.2 and \$14.6 billion per annum; electrical power subsidies amounted to between \$9.6 and \$12.1 billion per annum. The largest single subsidy amount over the period was \$15.2 billion paid by the Food Corporation of India in IFY 2013/14. This sum covered fiscal losses incurred by payment of the minimum support price to farmers for rice and wheat and selected coarse grains, which were then resold at much lower prices to beneficiaries of the Public Distribution System. This figure ranged over the period from \$9.0 billion in 2009/10 to the 2013/14 high.

Note on units: Many budget and expenditure figures cited appear in the original documents in units of “*lakh*” and “*crore*” Indian rupees. *Lakh* and *crore* are traditional numerical units in South Asia and correspond to 100,000 and 10 million, respectively. All such figures in the original documents have been converted to million rupees in this report.

The Government of India has reported its domestic agricultural support levels to the World Trade Organization (WTO) only through 2003, despite WTO rules requiring regular annual reporting of domestic support levels. This report seeks to estimate total budgets and expenditures in support of agriculture for Indian fiscal years (IFY) 2009/10 through 2013/14, but not to estimate or classify WTO categories of support. The report does not estimate the effective market price support provided through administered prices.

Central and State Support of Agriculture, Rural Development, and Irrigation

Since agriculture is a state subject under the Indian constitution, much funding from the central government (“union government”) is channeled through the states, which often augment these streams with their own funds. Thus, examination of union budget figures alone reveals an incomplete picture.

The Reserve Bank of India (RBI) publishes annual state-by-state expenditure budgets that include monies obtained from both state government fiscal resources and central government transfers. These data break out budgets and, for past years, expenditures in several categories; include funds sourced from both central- and state government origins; and are further segregated into “capital” versus “revenue” (i.e., variable-cost) figures.

**Table 1. India: Capital Expenditure of State and Union Territories with Legislature (selected)
ALL STATES**

in millions of current rupees

Item	2009-10 (Accounts)	2010-11 (Accounts)	2011-12 (Accounts)	2012-13 (Revised Estimates)	2013-14 (Budget Estimates)
1. Agriculture and Allied Activities (i to xi)	51,470.8	38,130.6	64,042.5	74,380.7	93,826.0
i) Crop Husbandry	4,036.3	4,904.7	6,992.6	10,376.6	22,443.1
ii) Soil and Water Conservation	9,390.4	7,359.6	9,843.2	13,118.9	13,600.0
iii) Animal Husbandry	2,081.3	1,954.0	2,790.2	5,873.3	7,145.4
iv) Dairy Development	76.1	4.3	50.7	90.9	317.0
v) Fisheries	2,697.3	2,737.3	2,991.7	6,055.2	6,010.5
vi) Forestry and Wild Life	10,261.2	9,322.2	13,152.4	16,230.5	18,468.1
vii) Plantations	63.2	14.2	15.8	26.9	26.5
viii) Food Storage and Warehousing	8,489.9	1,035.7	15,931.0	10,354.7	15,660.5
ix) Agricultural Research and Education	2,564.1	3,020.2	2,488.1	1,812.9	1,597.4
x) Co-operation	11,303.4	6,929.1	7,966.3	7,390.8	7,415.3
xi) Others @	507.5	849.3	1,820.4	3,049.9	1,142.3
2. Rural Development	78,983.1	92,436.5	99,719.2	109,368.8	139,538.0
3. Special Area Programmes	33,638.1	32,235.3	38,353.5	55,388.9	50,737.6
of which: Hill Areas	1,893.0	4,315.5	4,585.3	2,661.7	2,847.1
4. Major and Medium Irrigation and Flood Control	473,456.5	432,490.6	467,280.0	575,420.6	684,770.1

Source: Capital and Revenue Expenditures of States: Reserve Bank of India, various years

Table 2. India: Revenue Expenditure of States and Union Territories with Legislature (selected)**ALL STATES***in millions of current rupees*

Item	2009-10 (Accounts)	2010-11 (Accounts)	2011-12 (Accounts)	2012-13 (Revised Estimates)	2013-14 (Budget Estimates)
1. Agriculture and Allied Activities (i to xii)	468,914.4	518,465.7	569,519.7	793,278.0	897,387.0
i) Crop Husbandry	162,147.4	197,670.9	215,981.9	316,303.8	330,601.3
ii) Soil and Water Conservation	21,757.1	22,753.5	20,815.5	29,657.6	34,142.8
iii) Animal Husbandry	52,393.3	58,162.7	69,299.3	89,662.6	99,323.7
iv) Dairy Development	11,178.4	12,842.7	15,183.1	19,159.0	25,501.3
v) Fisheries	13,114.4	12,432.4	14,993.5	20,587.9	22,292.9
vi) Forestry and Wild Life	79,691.6	86,255.2	88,944.6	117,059.9	130,167.9
vii) Plantations	99.9	91.0	100.5	117.2	126.9
viii) Food Storage and Warehousing	45,333.9	46,144.5	49,860.0	67,481.5	112,848.5
ix) Agricultural Research and Education	28,237.3	36,660.0	43,803.2	51,552.6	58,263.3
x) Agricultural Finance Institutions	—	—	—	—	—
xi) Co-operation	52,198.4	42,650.4	47,459.1	77,013.1	78,768.2
xii) Other Agricultural Programmes	2,762.7	2,802.3	3,079.0	4,682.8	5,350.4
2. Rural Development	296,397.1	325,943.4	372,223.7	553,021.5	577,133.9
3. Special Area Programmes	24,054.4	18,107.4	22,040.5	32,187.0	37,518.9
4. Irrigation and Flood Control	243,504.7	242,583.6	260,603.3	307,774.3	348,796.4
<i>of which:</i>					
i) Major and Medium Irrigation	174,729.8	169,919.4	182,921.5	213,023.1	246,784.4
ii) Minor Irrigation	51,866.5	55,370.2	55,562.2	68,024.3	74,151.8
iii) Flood Control and Drainage	10,369.3	10,281.3	13,083.3	15,004.2	15,206.0

Source: Capital and Revenue Expenditures of States: Reserve Bank of India, various years

When aggregated, line items 1, 2, 3 and 4 from each of these two tables yield the following sums:

Table 3. India: Sum of Capital and Revenue Expenditure of States and Union Territories with Legislature (selected)**ALL STATES***in millions of current rupees*

Item	2009-10 (Accounts)	2010-11 (Accounts)	2011-12 (Accounts)	2012-13 (Revised Estimates)	2013-14 (Budget Estimates)
Capital and Revenue Expenditures on Agriculture and Allied Services, Rural Development, Special Area Programmes, Irrigation and Flood Control	1,670,419.1	1,700,393.1	1,893,782.4	2,500,819.8	2,829,707.9

Central Support of Commodity Boards and Export Development Authorities

The Indian Ministry of Commerce and Industry promotes production of certain plantation crops through “commodity boards,” activities of which are funded directly from the union budget but which funds do not appear in the figures above. Analysis of these figures is hampered by ambiguities in budget data published in the Ministry of Commerce and Industry’s “outcome budget” annual reports, wherein expenditures appear despite no money having been budgeted (e.g., the 2011/12 figures for the Cashew Export Promotion Council) or, conversely, no final expenditure data are provided against amounts budgeted. The figures available are as follow in Table 4.

Examination of expenditures described in the Outcome Budget documents shows that most of these funds go for general services, including export market promotion, research, and so on. However, there are some direct subsidies to producers, such as grants for purchase of mechanical implements and equipment, price supports that do not involve government procurement, and subsidies for renovation of plantations. The aggregate of sums devoted to such support cannot be extracted reliably from the data provided in available public documents.

In addition, the Ministry of Commerce and Industry houses the Agricultural and Processed Product Export Development Authority (APEDA). APEDA is primarily an export promotion agency. The APEDA budget totals for IFY 2009/10 through 2013/14 are included in Table 4.

Table 4. India: Commodity Board and Export Development Budgets

in millions of current rupees

Item	2009-10	2010-11	2011-12	2012-13	2013-14
Tea Board Budget	1,300.0	1,600.0	1,800.0	2,002.0	1,900.0
Coffee Board Budget	800.0	800.0	1,050.0	1,150.0	1,150.0
Spices Board Budget	600.0	850.0	1,000.0	1,000.0	1,050.0
Rubber Board Budget	1,200.0	1,500.0	1,700.0	1,704.0	1,701.0
Cashew Export Promotion Council Budget ¹	50.0	50.0	40.2	10.0	10.0
Agricultural and Processed Product Export Development Authority	1,195.0	1,500.0	1,569.9	1,500.0	1,800.0
TOTAL	5,145.0	6,300.0	7,160.1	7,366.0	7,611.0

Sources: Tea Board Annual Reports, various years; Ministry of Commerce and Industry Outcome Budgets, 2010/11, 2011/12, 2012/13, 2013/14

Footnotes:

¹ Budgeted amount for 2011/12 appears to be actual expenditures; budget was zero. This may represent a carryover from the previous year.

Central Government Fertilizer Subsidies

Fertilizer is highly subsidized in India, particularly nitrogen. Subsidies are paid not to farmers, but directly to fertilizer manufacturers and importers, who are then expected to pass on the subsidies indirectly to farmers through retail price reductions.

Fertilizer subsidies are provided in Government of India budget data, specifically under “Non-Plan Expenditure by Broad Categories, Statement 4” in the *Expenditure Budget* reports for each Indian fiscal year. The total figures for fertilizer subsidies from IFY 2009/10 through IFY 2013/14 are shown in Table 5.

Table 5. India: Fertilizer Subsidies

in millions of current rupees

Item	2009-10	2010-11	2011-12	2012-13	2013-14
	Actual				Revised
Indigenous (Urea) Fertilizer	175,802	150,807	202,080	200,000	265,000
Imported (Urea) Fertilizer	46,033	64,539	137,161	151,325	120,446
Sale of Decontrolled Fertilizer with Concession to Farmers	390,807	407,666	360,886	304,804	294,269
TOTAL	612,643	623,012	700,127	656,128	679,715

Source: Government of India, *Expenditure Budget, Volume 1*, various years
Totals may not add due to rounding error.

State Electrical Power Subsidies

Electrical power for irrigation and other agricultural operations, particularly in the wheat- and rice-surplus producing states of Punjab, Haryana and Uttar Pradesh, is heavily subsidized by the state governments. In some states electrical power for irrigation is free of charge. Normally, these data are virtually impossible to derive from publicly available state budget documents. However, in February 2014 the Government of India Planning Commission published [*Annual Report \(2013-14\) on The Working of State Power Utilities & Electrical Departments*](#). Table 4.2 on page 157 of that report contains the following data:

Table 6. India: Electrical Power Subsidies to Agriculture

in millions of current rupees

Item	2009-10	2010-11	2011-12	2012-13	2013-14
Subsidy to Agricultural Consumers	455,290	446,600	579,010	620,530	669,890

Source: Annual Report (2013-14) on The Working of State Power Utilities & Electrical Departments, Table 4.2, page 157, Planning Commission, Government of India

Central and State Administered Price Operations

Administered prices are paid to farmers by multiple paying agencies of the Indian government.

Cereal Grains

The Government of India’s largest paying agency is the Food Corporation of India (FCI), a subsidiary unit of the Ministry of Consumer Affairs, Food and Public Distribution, which purchases primary commodities (primarily food grains) from farmers at administered prices established by the Indian Cabinet on recommendation of the Ministry of Agriculture’s Commission on Agricultural Costs and Prices. This administered price, known as the “minimum support price” or “MSP”, is paid to farmers if they choose to sell their products to FCI or another government procurement agency. Although an MSP is set annually for each of several crops, *de*

facto the Food Corporation of India routinely procures only rice and wheat. These commodities are mainly intended for resale at a discount of approximately 90 percent to beneficiaries of the Targeted Public Distribution System, India's largest nutritional welfare program.

Since rice and wheat are sold at a large discount, their procurement causes the Food Corporation of India to incur significant fiscal losses. These costs are presented on the Food Corporation of India [website](#) in a table entitled *Food Subsidy Released to FCI and Incurred by FCI*. The relevant data are found in the column "Subsidy Incurred during the year". Those data for the Indian fiscal years 2009/10 through 2013/14 are shown in Table 7.

Table 7. India: Food Corporation of India Subsidies to Agriculture

in millions of current rupees

Item	2009-10	2010-11	2011-12	2012-13	2013-14
Food Corporation of India Subsidies	428,731.1	563,944.2	686,970.6	805,631.8	921,280.9

Source: Food Corporation of India

In addition to central government administered price operations, various states offer "bonuses" for wheat and rice sold to the Food Corporation of India in addition to and independently of the minimum support prices paid by the Food Corporation of India. No single source of information on these bonuses is available, and many of the states do not publish the information on their websites. Table 8 is thus primarily derived from mass media reports and data from official agencies of three states (Chhattisgarh, Odisha and Rajasthan) plus a table compiled by the Ministry of Agriculture's Commission on Agricultural Costs and Prices. The analysis begins with a compilation of known state bonuses. Table 8 may not be comprehensive, but it contains all known state bonuses as of publication of this report from IFY 2009/10 through 2013/14.

Table 8. India: State Bonuses for Commodity Procurement

in rupees per metric quintal (100 kg)

	wheat					rice				
	2009/10	2010/11	2011/12	2012/13	2013/14	2009/10	2010/11	2011/12	2012/13	2013/14
Bihar										250
Chhattisgarh						270	50		270	
Karnataka							100	250	250	
Kerala							400	420	450	
Madhya Pradesh		100	100	150	150		100	50	100	50
Maharashtra										200
Odisha						50				100
Rajasthan	100		100	100	150					
Tamil Nadu common							50	50	50	50
Grade A							70	70	70	
Uttar Pradesh			50							

Sources:

<http://oryza.com/news/rice-news/india-west-bengal-state-lacks-funds-procure-paddy-rice-bihar-state-announces-bonus>

<http://cgmarkfed.in/msp%20of%20paddy.htm>
<http://online.wsj.com/news/articles/SB10001424052702304520804576342834038421402>
<http://www.thehindu.com/todays-paper/tp-national/tp-newdelhi/rs100-per-quintal-wheat-bonus-for-rajasthan-farmers/article3264479.ece>
http://www.business-standard.com/article/markets/wheat-procurement-may-fall-to-six-year-low-114050600911_1.html
www.business-standard.com/article/printer-friendly-version?article_id=114021801185_1
http://www.telegraphindia.com/1131228/jsp/odisha/story_17726849.jsp#.U3RPifm-Umg
<http://dipr.rajasthan.gov.in/photo/HO41418B-24-5-13.htm>
<http://rkmp.co.in/or/print/16181>
<http://cacp.dacnet.nic.in/ViewReports.aspx?Input=2&PagelD=40&KeyId=477>
<http://agriodisha.nic.in/pdf/AGRICULTURE%20STATISTICS%20%202009-10.pdf>
<http://archive.indianexpress.com/news/how-chhattisgarh-fudged-records-for-multicore-paddy-scam/488464/>
<http://www.financialexpress.com/news/centre-gears-up-to-procure-wheat-mp-announces-bonus/590740>
http://articles.economictimes.indiatimes.com/2009-04-09/news/28481625_1_lakh-tonnes-marketing-season-wheat-prices
<http://www.thehindubusinessline.in/bline/blnus/27071301.htm>
CACP, *Price Policy for Rabi Crops*, July 2013; *Price Policy for Kharif Crops*, March 2013
<http://cacp.dacnet.nic.in/KeyBullets.aspx?pid=39>
<http://cacp.dacnet.nic.in/KeyBullets.aspx?pid=40>

Next, the analysis incorporates published data on state-by-state procurement of rice and wheat by the Food Corporation of India. These data are provided on the Food Corporation of India's website in *lakh* tons (100,000 metric ton units) for [wheat](#) and [rice](#), which Tables 9 and 10 convert to million metric tons.

Table 9. India: Wheat Procurement for Central Pool

in million metric tons

States/ Union Territories	2009-10	2010-11	2011-12	2012-13	2013-14
Punjab	10.725	10.205	10.958	12.834	10.897
Haryana	6.924	6.335	6.928	8.665	5.873
Uttar Pradesh	3.882	1.673	3.461	5.063	0.683
Madhya Pradesh	1.968	3.538	4.965	8.493	6.355
Bihar	0.497	0.183	0.556	0.772	-
Rajasthan	1.152	0.476	1.303	1.964	1.268
Uttarakhand	0.145	0.086	0.042	0.139	0.005
Chandigarh	0.012	0.009	0.007	0.017	0.008
Delhi	-	0.01	0.008	0.031	-
Gujarat	0.075	0.001	0.105	0.156	-
Jharkhand	-	-	-	-	-
Maharashtra	-	-	-	0.002	0.01
Himachal Pradesh	0.001	-	-	0.001	-
Jammu and Kashmir	0.001	-	-	0.009	-
West Bengal	-	0.009	-	0.001	0.002
TOTAL	25.382	22.525	28.335	38.148	25.092

Source: Food Corporation of India

Table 10. India: Rice Procurement for Central Pool*in million metric tons*

States/ Union Territories	2009-10	2010-11	2011-12	2012-13	2013-14¹
Andhra Pradesh	7.555	9.609	7.542	6.486	3.161
Assam	0.008	0.016	0.023	0.02	0.0001
Bihar	0.89	0.883	1.534	1.303	0.4205
Chandigarh	0.014	0.01	0.013	0.012	0.0115
Chhattisgarh	3.357	3.746	4.115	4.804	5.3372
Delhi	-	-	-	-	-
Gujarat	-	-	0.004	-	-
Haryana	1.819	1.687	2.007	2.609	2.3959
Himachal Pradesh.	-	0.001	0.001	-	-
Jharkhand	0.023	-	0.275	0.215	-
Jammu and Kashmir	-	0.011	0.009	0.002	-
Karnataka	0.086	0.18	0.356	0.058	-
Kerala	0.261	0.263	0.372	0.24	-
Madhya Pradesh	0.255	0.516	0.635	0.897	1.0404
Maharashtra	0.229	0.308	0.178	0.191	0.1163
Nagaland	-	-	-	-	-
Orissa	2.496	2.465	2.866	3.614	1.7515
Pondicherry	0.008	0.04	0.005	-	-
Punjab	9.275	8.635	7.731	8.557	8.1058
Rajasthan	-	-	-	-	-
Tamil Nadu	1.241	1.543	1.596	0.481	0.6131
Uttar Pradesh	2.901	2.554	3.357	2.285	0.9465
Uttaranchal	0.375	0.422	0.378	0.497	0.3212
West Bengal	1.24	1.31	2.041	1.765	0.6327
TOTAL	32.034	34.198	35.036	34.036	24.8537

Source: Food Corporation of India

¹ 2013/14 procurement is shown from October 1, 2013, through March 6, 2014.

If we now multiply the rupee-per-quintal bonus by 10 to obtain the rupee-per-metric-ton bonus, and then multiply that product by the corresponding volume of wheat or rice procured in that state in that year, we obtain the results shown in Tables 11 and 12. Because no data are available on the split between common and Grade A rice in Tamil Nadu, the lesser of the two bonuses was applied to avoid an overestimate.

Table 11. India: State Wheat Procurement Bonuses Paid
in millions of current rupees

	2009-10	2010-11	2011-12	2012-13	2013-14
Madhya Pradesh		3,538.0	4,965.0	12,739.5	9,532.5
Rajasthan	1,152.0		1,303.0	1,964.0	1,902.0
Uttar Pradesh			1730.5		
TOTAL	1,152.0	3,538.0	7,998.5	14,703.5	11,434.5

Source: Derived from Tables 8 and 9.

Table 12. India: State Rice Procurement Bonuses Paid
in millions of current rupees

	2009-10	2010-11	2011-12	2012-13	2013-14
Bihar					1,051.3
Chhattisgarh	9,063.9	1,873.0		12,970.8	
Karnataka		180.0	890.0	145.0	
Kerala		1,052.0	1,562.4	1,080.0	
Madhya Pradesh		258.0	317.5	897.0	520.2
Maharashtra					232.6
Odisha	1,248.0				1,751.5
Tamil Nadu common rice		771.5	798.0	240.5	306.6
TOTAL	10,311.9	4,134.5	3,567.9	15,333.3	3,862.1

Source: Derived from Tables 8 and 10.

Cotton

The Cotton Corporation of India is the paying agency for cotton. Selected subsidy data (minimum support price operations reimbursed by the Government of India) are available on line from IFY 2001/02 through 2010/11 in a [spreadsheet](#). MSP operations for 2011/12 and 2012/13 are available from the Corporation's [annual reports](#), also available on line. Unfortunately, data for Government of India reimbursement of fiscal losses due to buffer stock operations are provided only for IFY 2012/13. Data for IFY 2013/14 have not been published.

Table 13. India: Cotton Corporation of India Payments
Reimbursed by the Government of India
in millions of current rupees

	2009-10	2010-11	2011-12	2012-13	2013-14
Minimum Support Price Operation Losses	9,942.4	362.54	0.453	2,056.905	n/a
Buffer Stock Operation Losses	n/a	n/a	n/a	317.308	n/a
TOTAL	9,942.4	362.54	0.453	2,374.213	n/a

Source: Cotton Corporation of India
n/a: not available

Miscellaneous

The National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) receives funding from the Indian government for administered price support operations related to pulses and oilseeds. The NAFED programs are entitled Price Support Scheme (PSS) and Market Intervention Scheme (MIS). Another paying agency, the National Jute Board, pays the minimum support price for jute. The Government of India also reimburses sugar mills for inland transportation charges related to exports of sugar and pays to maintain buffer stocks of sugar for market stabilization. The budgeted amounts and expenditures are documented in the Government of India Expenditure Budgets, Volume 1, for relevant years.

Table 14. India: Subsidies Paid through National Agricultural Cooperative Marketing Federation of India, National Jute Board, and for Sugar Programs
in millions of current rupees

	2009-10	2010-11	2011-12	2012-13	2013-14
NAFED Subsidies	8,500.0	980.0	16.6	900.0	460.0
Jute Subsidies	365.9	300.0	550.0	550.0	615.9
Sugar Export Inland Transportation	2,850.0	1,468.1	150.0	47.8	0.1
Sugar Buffer Stock Maintenance	1,239.4	880.0	114.9	40.0	75.0
Sugar Subtotal	4,089.4	2,348.1	264.9	87.8	75.1

Source: Government of India, Union Budget, Expenditure budget, Volume I, Non-Plan Expenditures – Other Subsidies

Total Expenditures on Agriculture

Summing these tables yields an estimate of total governmental support, both from the central government and from the various state governments, of Indian agriculture, as in Table 15. We add for comparison the [gross agricultural product estimates](#) of the Government of India Planning Commission for IFY 2009/10 through 2012/13. The estimate of gross agricultural product for IFY 2013/14 is based on the Central Statistical Office estimate of May 30, 2014, that the agriculture and allied sectors had grown by 4.7% in 2013/14 over the year prior.

Table 15. India: Estimated Total Support to Agriculture
in millions of current rupees

<i>From Table</i>	Item	2009-10	2010-11	2011-12	2012-13	2013-14
1-3	Capital and Revenue Expenditures on Agriculture and Allied Services, Rural Development, Special Area Programs, Irrigation and Flood Control	1,670,419.1	1,700,393.1	1,893,782.4	2,500,819.8	2,829,707.9
4	Commodity Boards and Export Development	5,145.0	6,300.0	7,160.1	7,366.0	7,611.0
5	Fertilizer Subsidies	612,642.9	623,012.1	700,127.0	656,128.1	679,715.0
6	Agricultural Power Subsidies	455,290.0	446,600.0	579,010.0	620,530.0	669,890.0
7	Food Corporation of India Subsidies	428,731.1	563,944.2	686,970.6	805,631.8	921,280.9
8-12	State Bonuses	11,463.9	7,672.5	11,566.4	30,036.8	15,296.6
13	Cotton Corporation of India Subsidies	9,942.4	362.5	0.5	2,374.2	n/a
14	NAFED Subsidies	8,500.0	980.0	16.6	900.0	460.0
14	Jute Subsidies	365.9	300.0	550.0	550.0	615.9
14	Sugar Subsidies	4,089.4	2,348.1	264.9	87.8	75.1
	TOTAL	3,206,589.7	3,351,912.5	3,879,448.5	4,624,424.5	5,124,652.3
	Gross Agricultural Product	10,793,650.0	13,069,420.0	14,657,530.0	16,431,450.0	17,203,728.2
	Total Support as Percent of Gross Agricultural Product	29.7	25.6	26.5	28.1	29.8

Source: Derived from Tables 1-14. Gross Agricultural Product figures for IFY 2009/10 through 2012/13 from Planning Commission of India, and for 2013/14 calculated based on Central Statistical Office estimate of 4.7% growth over 2012/13.

n/a: not available

Finally, for comparison purposes, we can convert the rupees into U.S. dollars, using Reserve Bank of India official annual average exchange rates for IFY 2009/10 through 2012/13, and the average of published Ministry of Finance monthly exchange rates for IFY 2013/14. These figures are shown in Table 14.

Table 16. India: Estimated Total Support to Agriculture
in millions of United States dollars

<i>From Table</i>	Item	2009-10	2010-11	2011-12	2012-13	2013-14
	<i>Average annual exchange rate, rupees/dollar</i>	47.4166	45.5768	47.9229	54.4091	60.5016
1-3	Capital and Revenue Expenditures on Agriculture and Allied Services, Rural Development, Special Area Programs, Irrigation and Flood Control	35,229	37,308	39,517	45,963	46,771
4	Commodity Boards and Export Development	108	138	149	135	126
5	Fertilizer Subsidies	12,920	13,670	14,609	12,059	11,235
6	Agricultural Power Subsidies	9,602	9,799	12,082	11,405	11,072
7	Food Corporation of India Subsidies	9,042	12,373	14,335	14,807	15,227
8-12	State Bonuses	242	168	241	552	253
13	Cotton Corporation of India Subsidies	210	8	0	44	n/a
14	NAFED Subsidies	179	22	0	16	8
14	Jute Subsidies	8	7	12	10	10
14	Sugar Subsidies	86	52	6	2	1
TOTAL		67,626	73,544	80,952	84,994	84,703
Gross Agricultural Product		227,634	286,756	305,856	301,998	284,352
Total Support as Percent of Gross Agricultural Product		29.7	25.6	26.5	28.1	29.8

Source: Derived from Table 15 with applicable exchange rates. Exchange rates IFY 2009/10 through 2012/13 Reserve Bank of India, for IFY 2013/14 average of monthly rates published by Ministry of Finance, Government of India

n/a: not available

Totals may not add due to rounding error.

Sources

Data in this report were obtained from either official documents of the Government of India or official documents of the governments of the various states of India, except in the case of several state bonuses for wheat and rice procurement, which were gleaned from online editions of mass media publications but are deemed reliable. The specific uniform resource locators are:

Capital and Revenue Expenditures of State: Reserve Bank of India:

<http://www.rbi.org.in/scripts/AnnualPublications.aspx?head=Handbook+of+Statistics+on+Indian+Economy>
<http://rbidocs.rbi.org.in/rdocs/Publications/PDFs/00SF090113FUL.pdf>

Tea, Coffee, Spice, Rubber Board, APEDA, and Cashew EPC Budgets:

<http://www.teaboard.gov.in/pdf/bulletin/Final%20Outcome%20Budget%202012-13.pdf>
http://commerce.nic.in/publications/outcome_budget_2013_14.pdf?id=27
<http://teaboard.gov.in/pdf/57th%20Annual%20Report%202010-2011.pdf>
http://commerce.nic.in/aboutus/budgetpdfs/Outcome_budget-2011-12.pdf
http://commerce.nic.in/aboutus/budgetpdfs/Outcome_budget-2012-13.pdf

Fertilizer Subsidies:

<http://www.indiabudget.nic.in/budget2013-2014/ub2013-14/eb/stat04.pdf>
<http://www.indiabudget.nic.in/budget2012-2013/ub2012-13/eb/stat04.pdf>
<http://www.indiabudget.nic.in/budget2011-2012/ub2011-12/eb/stat04.pdf>
http://planningcommission.nic.in/data/datatable/1203/table_33.pdf
<http://www.pib.nic.in/newsite/erelease.aspx?relid=89844>

Power Subsidies:

http://planningcommission.gov.in/reports/genrep/rep_arpower1305.pdf Table 4.2 on page 157

Food Corporation of India:

<http://fciweb.nic.in/finances/view/6>
http://fciweb.nic.in/upload/Procurement/Statewise Procurement of wheat since RMS 2000-01_2.pdf
http://fciweb.nic.in/upload/Procurement/Copy of Procurement of Rice since 1999-2000_sheet-2.pdf

Cotton Corporation of India:

http://cotcorp.gov.in/finance_result.aspx
<http://cotcorp.gov.in/annual.aspx>

NAFED, Jute, and Sugar Subsidies:

<http://www.indiabudget.nic.in/ub2014-15/eb/stat06.pdf>
<http://www.indiabudget.nic.in/ub2014-15/eb/stat06.xls>
<http://www.indiabudget.nic.in/budget2013-2014/ub2013-14/eb/stat06.pdf>
<http://www.indiabudget.nic.in/budget2013-2014/ub2013-14/eb/stat06.xls>
<http://www.indiabudget.nic.in/budget2012-2013/ub2012-13/eb/stat06.pdf>
<http://www.indiabudget.nic.in/budget2012-2013/ub2012-13/eb/stat06.xls>
<http://www.indiabudget.nic.in/budget2011-2012/ub2011-12/eb/stat06.pdf>
<http://www.indiabudget.nic.in/budget2011-2012/ub2011-12/eb/stat06.xls>

Gross Agricultural Product:

http://planningcommission.nic.in/data/datatable/1203/table_39.pdf
http://mospi.nic.in/Mospi_New/upload/nad_pr_30may14.pdf

Annual Average Exchange Rates:

<http://rbi.org.in/Scripts/PublicationsView.aspx?Id=15268>
http://rbi.org.in/SCRIPTS/BS_ViewBulletin.aspx?Id=14844
http://mof.gov.in/stats_data/monthly_economic_report/2014/indmar14.pdf

State Wheat and Rice Procurement Bonuses:

Official websites:

<http://cacp.dacnet.nic.in/KeyBullets.aspx?pid=40>
<http://cacp.dacnet.nic.in/KeyBullets.aspx?pid=39>
<http://cgmarkfed.in/msp%20of%20paddy.htm>
dipr.rajasthan.gov.in/photo/HO41418B-24-5-13.htm
<http://agriodisha.nic.in/pdf/AGRICULTURE%20STATISTICS%20%202009-10.pdf>

Media websites:

<http://oryza.com/news/rice-news/india-west-bengal-state-lacks-funds-procure-paddy-rice-bihar-state-announces-bonus>
http://www.business-standard.com/article/markets/wheat-procurement-may-fall-to-six-year-low-114050600911_1.html
<http://online.wsj.com/news/articles/SB10001424052702304520804576342834038421402>
http://www.business-standard.com/article/primer-friendly-version?article_id=114021801185_1
http://www.telegraphindia.com/1131228/jsp/odisha/story_17726849.jsp#.U3RPifm-Umg
<http://www.thehindu.com/todays-paper/tp-national/tp-newdelhi/rs100-per-quintal-wheat-bonus-for-rajasthan-farmers/article3264479.ece>
<http://rkmp.co.in/or/print/16181>
<http://cacp.dacnet.nic.in/ViewReports.aspx?Input=2&PageId=40&KeyId=477>