

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:172
ANSWERED ON:23.02.2010
SHORTAGE OF RICE
Ramasubbu Shri S.

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the country is facing huge shortage of rice;

(b) if so, the reasons therefor; and

(c) the details of the steps taken/proposed to be taken to augment the production and supply of rice in order to reduce the import bill and to ensure adequate availability of rice to the general public at affordable prices?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a)&(b): As per Second Advanced Estimates of Department of Agriculture & Cooperation, production of rice in 2009-10 is estimated at 875.6 lakh tonnes against final estimate of 991.8 lakh tonnes in 2008-09. This decline is due to impact of drought.

(c): The steps taken to increase the production of foodgrains including rice are at Annexure-I. The steps taken to increase the availability of rice so as to ensure adequate availability of rice to the general public, including targeted families under the Targeted Public Distribution System and other Welfare Schemes are at Annexure-II.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE UNSTARRED QUESTION NO.172 DUE FOR ANSWER ON 23.02.2010 IN THE LOK SABHA

Steps taken to increase the production of Foodgrains

1. To increase cereals production, Centrally Sponsored Integrated Cereals Development Programme (ICDP) in Rice, Wheat and Coarse Cereals is in operation from October 2000. Under these schemes, assistance is provided on 90:10 basis between the Government of India and the State Governments for propagation of improved/hybrid production technology, pest management, farm implements, installation of sprinkler irrigation system, varietal replacement and production of certified seeds.

2. In order to enhance food security through increase production and productivity of foodgrains, a Centrally Sponsored Scheme, National Food Security Mission (NFSM) has been launched since October, 2007 in a mission mode approach. NFSM has three components for Rice, Wheat and Pulses. NFSM aims to raise the production of rice by 10 million tonnes (base 88 million tonnes) over the 11th Five Year Plan (2007-12).

3. A new State Plan Scheme of Additional Central Assistance (ACS) for agriculture and allied sectors, namely, Rashtriya Krishi Vikash Yojana (RKVY) was launched during 2007-08 with an envisaged outlay of Rs. 25,000 crore for the 11th Five Year Plan. The broad objective of RKVY is to incentivise the States to increase public investment to achieve 4% growth rate in agriculture and allied sectors in the 11th Five Year Plan.

ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE UNSTARRED QUESTION NO.172 DUE FOR ANSWER ON 23.02.2010 IN THE LOK SABHA

Steps taken to increase the availability of rice

The Government has taken the following steps to maximise the procurement:

(i) In KMS 2009-10, the MSP of Rs.950/- and Rs.980/- per quintal was fixed for Common and Grade 'A' varieties of paddy, respectively. The Government also allowed a bonus of Rs.50/- per quintal on both varieties of paddy during KMS 2009-10 to maximize the procurement. A total of 221.03 lakh tonnes of rice has been procured in KMS 2009-10 (as on 18.2.2010) against an estimated procurement of 260 lakh tonnes for KMS 2009-10. Procurement of 336.84 lakh tonnes of rice in KMS 2008-09 has resulted in

comfortable rice stock in central pool.

(ii) To have an assessment of major rice purchases by private trade, a notification titled "Rice (Stock Declaration by Companies or Firms or individuals) Order 2009 was issued under the Essential Commodities Act 1955 on 11.11.2009. The order provides that any Company or Firm or individual which purchases paddy (in terms of rice) or rice beyond 10,000 tonnes during Kharif Marketing Season 2009-10 (October-September) shall furnish a return to the Secretary, Department of Food of the State from where maximum quantity has been purchased. In case the purchase of paddy (in terms of rice) exceeds 25, 000 tonnes (throughout the country) the return in the prescribed proforma is to be submitted to Department of Food & Public Distribution of Central Government.

(iii) The State Governments have been requested to issue instructions for recording correct market arrivals and ensuring imposition of at least 50% compulsory levy on rice millers.

(iv) The Government has increased the commission charges for the Cooperative societies and Self Help Groups to 2.5% in KMS 2009-10 to encourage procurement from small and marginal farmers especially in state where infrastructure for procurement is not well developed. This will also ensure payment of MSP & Bonus to farmers.

(v) With a view to expedite the procurement of paddy in the drought year (KMS 2009-10), the following relaxations have been allowed in the uniform specifications of Custom Milled Raw (CMR) Rice during Kharif Marketing Season 2009-10 to State Governments of Punjab and Haryana:-

(i) Damaged/slightly damaged grains including pin point damaged grains allowed upto 4% for CMR Raw Rice for both Grade 'A' and Common. (The Fair Average Quality specification is 3%).

(ii) The discoloured /red grains together allowed upto 4% for CMR Raw Rice for both Grade 'A' and Common. (The Fair Average Quality specification is 3 %).

(vi) In order to reduce hardships of farmers and to avoid distress sale of paddy in Orissa, relaxation has been granted on 31.12.2009 for the maximum limit in respect of immature, shrunken and shriveled grains upto 5% against existing limit of 3% provided under Fair Average Quality specifications with full value cut, for procurement of paddy in KMS 2009-10 in the state.

(vii) Besides the above steps, the Government has banned the export of non-basmati rice and has restricted the export of basmati rice by imposing Minimum Export Price of US \$ 900 per Tonne.

(viii) Rice import at zero duty has been allowed.