

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

UNSTARRED QUESTION NO:1830

ANSWERED ON:09.03.2010

TARGET FOR PROCUREMENT

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

(a) whether the Government proposes to procure/purchase more foodgrains to build adequate reserves and strengthen the Public Distribution System (PDS) for any contingency;

(b) if so, the details thereof indicating the targets fixed for procurement/purchase of foodgrains during the ensuing season, grain-wise; and

(c) the steps taken to achieve the said targets?

**Answer**

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

(a): Government procures foodgrains from farmers at MSP conforming to Fair Average Quality (FAQ) specifications. The Government maintains, through Food Corporation of India (FCI) and State agencies, the buffer stocks and strategic reserve of foodgrains.

(b): The procurement of wheat, rice and coarsegrains during last 3 years is as under:-

(Fig. in lakh tonnes)

KMS/RMS    Rice    Wheat    Coarsegrains

2007-08    251.07    111.28    2.03

2008-09    336.84    226.89    13.75

2009-10#    234.48    253.82    3.0

# Proc of Rice and Coarsegrains as on 4.3.2010 in KMS 2009-10

For RMS 2010-11, Food Secretaries of State Government have given an estimate of procurement of 262.67 lakh tonnes. However, these are preliminary estimates and the actual procurement will depend upon production of wheat, market arrivals and open market prices at the time of procurement.

(c): A statement showing steps taken by the Government to maximize procurement of wheat and rice is at Annexure.

**ANNEXURE**

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE UNSTARRED QUESTION NO.1830 DUE FOR ANSWER ON 9.3.2010 IN THE LOK SABHA.

Steps taken to maximise the procurement of wheat and rice:

(i) The MSP for wheat was fixed at Rs.1000 per quintal for RMS 2008-09. As a result of which, 226.89 lakh tones of wheat as procured in RMS 2008-09, which has enhanced the availability of wheat. The MSP for wheat in RMS 2009-10 was fixed as Rs.1080 per quintal, which has resulted in procurement of 253.82 lakh tonnes. This level of procurement in RMS 2009-10 coupled with procurement of 226.89 lakh tonnes of wheat in RMS 2008-09 has ensured availability of comfortable wheat stock in central pool.

(ii) 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 record Procurement of 336 lakh tonnes of rice in KMS 2008-09 has resulted in comfortable rice stock in central pool.

(iii) 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.

(iv) 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.

(v) 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.

(vi) Certain State specific relaxatioons in specifications for paddy & rice based on the requests of the State Governments have been accorded so as to reduce hardships to farmers. This has also led to increase in procurement.