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

UNSTARRED QUESTION NO:79 ANSWERED ON:08.07.2014 PROCUREMENT POLICY Simha Shri Prathap

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

- (a) whether the present procurement policy is heavily concentrated on procurement of wheat, paddy and rice through Food Corporation of India (FCI) inspite of announcement of support prices for over two dozen commodities;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the procurement policy encourages production of only these two commodities for which the country has a huge buffer stock at the cost of production of other commodities including pulses and oilseeds which continue to be imported in large quantities; and
- (d) if so, the details thereof and the steps taken by the Government to address the problem?

Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAOSAHEB PATIL DANVE)

(a) to (d): It is true that the Government announces Minimum Support Price (MSP) for 25 agricultural commodities and procurement of wheat and paddy through FCI and State Agencies is more compared to another commodities. However, Government is giving more emphasis on the price support to the farmers of coarse grains, pulses and oilseeds crops compared to the wheat and paddy, as is evident from the fact that while from 2008-09 to 2014-15, the MSP of paddy (common) has increased from Rs. 850 per quintal (plus Rs. 50 per quintal additional incentive bonus) to Rs. 1360 per quintal, MSP of wheat from Rs. 1080 per quintal (plus Rs. 50 per quintal additional incentive bonus) to Rs. 1400 per quintal, the increase in MSP of coarse grains like Jowar in the same period has been more i.e. from Rs. 840 per quintal to Rs. 1530 per quintal for hybrid variety and from Rs.860 per quintal to Rs. 1550 per quintal for Maldandi variety of Jowar and from Rs. 915 per quintal to Rs. 1550 per quintal for Ragi. Similarly, the Government has made substantial increase in the MSP of pulses during the same period, as evident from the increase in the case of Arhar from Rs. 2000 per quintal to Rs. 4350 per quintal, Moong from Rs. 2520 per quintal to Rs. 4600 per quintal, Urad from Rs. 520 per quintal to Rs. 4350, Gram from Rs. 1730 per quintal to Rs. 3100 per quintal and Masur from Rs. 1870 per quintal to Rs. 2950 per quintal. The increase in the case of oilseeds commodities in the same period is also substantial as in the case of Groundnut, it increased from Rs. 2100 per quintal to Rs. 4000 per quintal, Sunflower Seed from Rs. 2215 per quintal to Rs. 3750 per quintal, Sesamum from Rs. 2700 per quintal to Rs. 4600 per quintal, Rapeseed / Mustard from Rs. 1830 per quintal to Rs. 3050 per quintal and milling Copra from Rs. 3660 per quintal to Rs. 5100 per quintal. In recent years, Government has taken several steps under the National Food Security Mission and the Rashtriya Krishi Vikas Yojana to encourage farmers to produce more of these commodities. The States have been provided support for creating of agriculture infrastructure for optimal use of water and other natural resources, crop protection technologies suitable to various situations, location specific varieties/ hybrid and technologies.