

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

LOK SABHA
UNSTARRED QUESTION NO.599
TO BE ANSWERED ON 1ST DECEMBER, 2021

RICE PROCUREMENT POLICIES

†599. SHRIMATI KAVITHA MALOTHU:
DR. G. RANJITH REDDY:
SHRI PASUNOORI DAYAKAR:
SHRI VENKATESH NETHA BORLAKUNTA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether FCI is following rice procurement policies which are creating confusion among States and if so, the details thereof;
- (b) the reasons that FCI is not fixing target of procurement for entire year in one go;
- (c) the reasons that FCI is not procuring rice commensurate with the pace of production;
- (d) whether States are not able to plan appropriate cropping pattern; and
- (e) the number in which the Ministry is planning to address this problem as farmer are suffering?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SADHVI NIRANJAN JYOTI)

(a): There exists a transparent & uniform Policy for procurement by Govt. Agencies across the country. There is no confusion among States regarding rice procurement policy of Government of India.

(b): The estimates for procurement of Paddy (in terms Rice) are finalized by Government of India in consultation with State Governments, Ministry of Agriculture & Farmers Welfare (MoA&FW) and Food Corporation of India, before the commencement of each marketing season based upon estimated production, marketable surplus and agricultural crop pattern—July/Aug for Kharif and Feb/March for Rabi crops etc.

(c): Procurement in a State depends not only upon production but also upon other multiple factors like marketable surplus, MSP, prevailing market rate, demand & supply situation and participation of private traders etc.

Ratio of procurement to production varies from State to State depending upon actual marketable surplus quantity which is deduced after factoring consumption in the state based upon local eating habits, varieties grown which may be suitable for local taste and/or commanding higher market price, export of rice from State to International market and trading in the country etc.

In any state only net marketable surplus quantity is offered by the farmers.

Production vis-à-vis procurement (in terms of Rice) for the last three years is depicted as under:-

KMS	Production (in LMT)	Procurement (in LMT)
2018-19	1164.78	443.99
2019-20	1188.70	518.26
2020-21	1222.65	600.74

From the above, it is observed that pace of procurement has been increasing continuously in comparison to pace of production which indicates increased outreach of Minimum Support Price operations to farmers.

(d): Government of India has advised all State Governments to encourage farmers for crop diversification. Moreover, Government of India has substantially increased Minimum Support Price of pulses / oilseeds / millets so as to encourage / incentivize the farmers to maximize sowing of such crops and to get the remunerative prices.

(e): Interest of farmers are always protected by Government of India as outreach and volume of procurement has been increasing over years, thereby percolating the benefit of MSP to large number of farmers.