

Procurement of foodgrains

5.36 Procurement of foodgrains i.e. wheat, rice and coarsegrains is undertaken by the Central Government through the Food Corporation of India with the following objectives:

- (i) To operationalise Price Support Scheme so that farmers do not resort to distress sale.
- (ii) To service the Targeted Public Distribution System and other Welfare Schemes of the Govt. of India,

Trends in Foodgrain procurement

5.37 Andhra Pradesh, Punjab and Haryana are the major rice procuring states, while Punjab, Haryana and Uttar Pradesh account for the bulk of wheat procurement.

5.38 During 2001-02 there was a record procurement of wheat by FCI at 20.6 (20.63) million tonnes despite a fall in estimated production to 68.46 million tonnes, (a drop of 7 million tonnes) in 2000-01. (Table 5.10) Despite lower growth in agriculture, foodgrains procurement by the FCI increased significantly over the years. In the 1980s, yearly procurement of wheat by the FCI ranged between 6-10 million tonnes with the highest in 1985-86 at 10.54 million tonnes. Procurement has increased significantly during the last three years.

5.39 Rice procurement also touched a record 19.03 million tonnes during the marketing year (October-September) 2000-01. Fresh procurement has started for the marketing year 2001-02 and so far about 13.33 million tonnes of rice have

Marketing Year	Wheat (April - March)		Rice (Oct - Sept)	
	Qty	per cent change	Qty	per cent change
1994-95	11.87	-7.5	13.40	-1.8
1995-96	12.33	3.9	9.95	-25.7
1996-97	8.16	-33.8	12.22	22.8
1997-98	9.30	14.0	14.33	17.3
1998-99	12.65	36.0	11.84	-17.4
1999-00	14.14	11.8	17.27	46.5
2000-01	16.35	15.6	19.10	10.6
2001-02	20.63	26.2	13.33*	-

* as on 29.01. 2002.

been procured. As in the case of wheat, rice procurement too has increased significantly over the years. It ranged between 5-10 million tonnes during the 1980s, with the highest in 1985-86 at 9.88 million tonnes.

5.40 In 2001-02, out of the total wheat procurement of 20.63 million tonnes, Punjab alone accounted for 10.56 million tonnes followed by Haryana at 6.41 million tonnes. In 2000-01 (Oct-Sep), out of the total rice procurement of 19.10 million tonnes, Andhra Pradesh alone accounted for 7.17 million tonnes followed by Punjab at 6.93 million tonnes. Thus it is clear that only three states Punjab, Haryana and Andhra Pradesh contribute to the bulk of the procurement.