

Rice procurement continues to trail, likely to miss target

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Rice procurement by the Food Corporation of India (FCI) for the Centre's buffer stocks in the first three months since the season began on October 1 dropped 14 per cent to 299.33 lakh tonnes (lt) from 347.87 lt in the year-ago period. During October-December in 2022, rice procurement was 11 per cent higher from the 2021-22 level, experts see the current year's purchase missing the target by a big margin.

According to latest data, procurement in Punjab, Haryana and other northern States were completed in December, while in western Uttar Pradesh, it will continue until the end of January. The FCI has managed to buy 125.08 lt in Punjab, which is 2 per cent higher from 121.91 lt a year ago and in Haryana it is 39.42 lt against 39.51 lt in 2022-23. The target in Punjab was 122 lt and in Haryana was 40 lt this year.

"The first three months normally show the trend of procurement, unless there is a big change in the harvesting period. In most of the States, the procurement is less and the market price of rice is also high which gives the option to

Procurement in Oct-Dec 2023-24

(in lakh tonnes)

	2022-23	2023-24	% Change
Punjab	121.91	124.08	1.8
Chhattisgarh	51.61	38.59	-25.2
Haryana	39.51	39.42	-0.2
Telangana	37.40	27.11	-27.5
Uttar Pradesh	27.07	23.05	-14.8
Madhya Pradesh	20.48	11.60	-43.4
All	347.87	299.33	-14.0

Source: Food Ministry

farmers to sell wherever they want," said an expert. The government could manage to buy around 500 lt from kharif-grown rice out of the total purchase of 568.69 lt in 2022-23.

CHHATTISGARH OPTION

However, if the Centre relaxes norms and allows Chhattisgarh's new government to pay ₹3,100/quintal to paddy farmers against ₹2,203 minimum support price (MSP), there may be some improvement in procurement in the State from now on, the expert said.

The rice procurement in Chhattisgarh has been reported at 38.59 lt until December 31, which is 25 per cent lower from 51.61 lt year-ago. Similarly, in Telangana the rice purchase dipped 28 per cent to 27.11 lt from 37.40 lt. The government has set a target to pur-

chase 521.27 lt of rice from the kharif-grown crop in the 2023-24 season (October-September). The Agriculture Ministry has estimated the kharif rice production to fall by 4 per cent to 106.31 million tonnes (mt) in the kharif season from 110.51 mt a year ago.

The FCI has attributed the overall fall in this year's rice procurement to elections in Chhattisgarh and Telangana and hoped that it will be covered up. But in the past fortnight, the gap in Telangana has further widened while some recovery has been observed in Chhattisgarh.

Procurement in Odisha has witnessed some improvements as purchases were lower by 39 per cent until December 15, whereas now it is lower by 26 per cent. The gap in AP continues to be over 56 per cent.