

**GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE
RAJYA SABHA
QUESTION NO 04.12.2009
ANSWERED ON**

SHORTFALL IN PRODUCTION DUE TO DROUGHT .

1690

Shri Rajeev Shukla

Will the Minister of AGRICULTURE be pleased to state :-

(a) whether half of India is in drought grip which has resulted in fall of output of rice, sugar, pulses and edible oils; and

(b) if so, to what extent Government is considering to improve position of rice, wheat, sugar etc., and the concrete steps and measures Government has taken to improve its productivity and meet shortage?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(PROF. K.V. THOMAS)

(a) & (b): Yes, Sir. As per 1st advance estimates for kharif 2009, the production of rice, sugarcane, pulses and oilseeds are estimated at 69.45, 4.42, 249.48 and 15.23 million tonnes respectively against 84.58, 4.78, 273.93 and 17.88 million tonnes respectively during 2008-09 (4th advance estimates). In this regard Government has taken several steps to improve position of rice, wheat, sugar etc. which are as under.

(1) Minimum support price of rice has been increased from Rs. 850/- and Rs. 880/- for Kharif Marketing Season (KMS) 2008-09 to Rs. 950/- and Rs. 980/- (KMS 2009-10) per quintal for common and Grade `A` of Paddy, respectively with a Rs. 50/- per quintal as bonus to enhance the availability of rice. Export of non-basmati rice has been banned and rice on private account at zero duty is allowed. State Governments have been requested to maximize the procurement of rice by opening sufficient procurement centers and other necessary arrangement for procurement of paddy and its milling.

(2) The custom duties on crude and refined edible oils have been reduced to nil and 7.5% respectively since 1st April, 2008.

(3) It has been decided that this duty structure would be continued till 30.09.2010. The Government has banned export of all major edible oils from the country since 17.03.2008 up to 30.09.2010. The Government had launched a scheme on 28.07.2008 to distribute up to 10 lakh tonnes of edible oils to States / UTs at a subsidy @ Rs. 15/-kg. which was enhanced to Rs. 25/- kg from January, 2009 to March, 2009.

(4) The Central Government has now fixed the Fair & Remunerative Price (FRP) of sugarcane payable by sugar mills for 2009-10 sugar season at Rs. 129.84 per quintal linked to a basic recovery rate of 9.5% subject to a premium of Rs. 1.37 per quintal for every 0.1 percentage point increase in recovery above that level. Hitherto, the Central Government was fixing the Statutory Minimum Price (SMP) of sugarcane. This FRP is substantially higher than SMP of 2008-09 sugar season which was Rs. 81.18 per quintal, with an additional premium of Rs. 0.90 for every 0.1% point increase in recovery above 9%.

(5) Concessional loans at an interest rate of 4% per annum are given to sugar factories from Sugar Development Fund (SDF) for modernization of plant and machinery, expansion of crushing capacity, utilization of by-products viz. baggasse for co-generation of power and molasses for production of ethanol, upgradation of technology and sugarcane development including better irrigation facilities, improved seed variety, ratoon management etc.

(6) A short term scheme has been announced for cane development in the current financial year under which loans of Rs. 1.0 to 2.5 crore will be available to sugar factories depending upon their crushing capacity, for purchase of seeds, fertilizers and pesticides etc.

Various Crops Development scheme namely National Food Security Mission(NFSM), Macro Management of Agriculture(MMA),Integrated Scheme of Oilseed, Pulses, Oil palm and Maize (ISOPOM), and Rashtriya Krishi Vikas Yojana(RKVY), are being implemented in order to enhance the production and productivity of food grains and sugarcane.