

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

RAJYA SABHA
UNSTARRED QUESTION NO.1640
TO BE ANSWERED ON 10TH DECEMBER, 2024

PADDY PROCUREMENT IN KARNATAKA

1640 **SHRI G.C. CHANDRASHEKHAR:**

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

- (a) whether Government has set a support price for paddy and if so, the details thereof;
- (b) whether Government assists Karnataka with paddy procurement from farmers and if so, the specifics;
- (c) the total amount released to Karnataka for paddy procurement over the last five years;
- (d) whether the entire requested funds were disbursed to Karnataka, if not, the reasons therefor; and
- (e) whether it is a fact that paddy farmers are facing distress due to procurement policies, if so, the actions taken to safeguard their interests, particularly in Karnataka?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION
(SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)

(a): Minimum Support Price (MSP) is announced by Government of India for procurement of paddy every year before the sowing of crop. State Government's procuring agencies and Food Corporation of India (FCI) purchase paddy at MSP which is uniform across the country. The MSP announced for procurement of paddy during last two years and current year is as under:

.....2/-

KMS	Minimum Support Price (MSP) (Rs./Qtls.)	
	Paddy (Common)	Paddy (Grade 'A')
2022-23	2040	2060
2023-24	2183	2203
2024-25	2300	2320

(b): Karnataka has opted for Decentralized Procurement (DCP) mode of procurement for paddy wherein procurement operations are carried out by the State through its agencies. The requirement of Karnataka for National Food Security Act (NFSA)/Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) & Other Welfare Schemes (OWS) is more than the quantity of paddy /rice procured by the State in DCP mode. The additional quantity required over and above the quantity of local procurement in Central Pool is met by movement of stock by FCI from surplus procuring States. The expenditure incurred by the State Government on procurement of paddy/rice in central pool and storage and movement for distribution of DCP stocks for issue under NFSA/PMGKAY and OWS are reimbursed by Government of India as Food Subsidy.

(c) and (d): The food subsidy is released to DCP States including Karnataka on the basis of their claims as per the principles laid down. The claims of State Governments are processed keeping in view the opening and closing balance of stock, procurement, allocation and distribution of food grains, Food Corporation of India's reconciliation, Utilization Certificates received, Economic Cost of food grains, prevalent guidelines etc., among others. This is an ongoing and continuous process. Government of India has been continuously releasing amount of food subsidy to the DCP States including Karnataka.

The details of Food subsidy released to Karnataka for distribution of foodgrains to NFSA/PMGKAY and OWS beneficiaries during last five years and current year are as under:

Financial year	Amount (Rs.in crore)
2019-20	205.79
2020-21	323.99
2021-22	1682.12
2022-23	2191.75
2023-24	1222.13
2024-25 (till 27.11.2024)	307.40

(e): No issue regarding paddy farmers facing distress in Karnataka has been reported.

Government of India has introduced the system of procurement of Paddy/ Wheat & other Food grains from farmers through State Government online procurement portal and made a mandatory provision of direct online payment of MSP by the Government procuring agencies to the farmers in their bank account.
