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**Procurement Policy for Food Corporation of India
Modifications and Implications**

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Procurement Policy for the Food Corporation of India – Modifications and Implications

Abstract

The National Objective of growth with social justice followed by Government of India involves assured supply of food grains at affordable prices to different sections of society. In this connection, the Government of India has introduced a scheme called Targeted Public Distribution systems (TPDS) effective from June 1997. A number of schemes to deal with people above poverty line (APL) and below poverty line (BPL) are put into practice. Food Corporation of India (FCI) is entrusted with the responsibility of procuring, storing and distribution of food grains throughout the country. The total subsidy associated with the entire operation to provide food grains to the needy sections of the society amounts to about Rs.25,000 crores per annum. Data indicates that transportation cost account for one-third of the subsidy. This paper aims at minimizing this component of subsidy without affecting the delivery of the scheme to different sections of society.

Currently, the procurement operations of rice are limited to only 5 states even though 14 states of India produce substantial quantities of rice. Similarly, wheat is produced in large quantities in 10 different states whereas the procurement is limited to only 3 states. This process results in creation of large amount of storage capacity in procurement states and additional cost of transportation of this food grains to different states. A perusal of procurement and operational policy of the Food Corporation of India suggests that the entire country could be divided into 5 different zones for the purpose of analysis. Analysis of data provided by Food Corporation of India reveals that the south zone comprising of Andhra Pradesh, Karnataka, Tamilnadu and Kerala as a group is producing enough rice for its consumption as well as export to other needy states. However, because procurement is limited to Andhra Pradesh lot of rice movement is taking place within the zone as well as from the North zone to the South zone. A similar observation is made in the procurement and distribution of wheat in North East and Northern zone. Under the assumption that it is feasible to procure about 30% of the production in any state, a substantial reduction in the movement of food grains across different zone could be achieved. In financial terms this amounts to a saving of Rs.1000 crores per annum for the South Zone alone. Procurement process in different states especially Punjab, Haryana, Andhra Pradesh show that substantial amounts are appropriated to the state exchequer through the levy of Mandi tax. Punjab is generating about Rs.1000 crores per annum through this tax. If states increase their procurement levels they could benefit similarly. However, procuring 30% of production involves creation of infrastructure at Mandi level which could be created through soft loans provided by NABARD. In addition this will also go a long way in the enhancing value addition to the farming community. Thus a zonal procurement policy could bring about several benefits without impacting the delivery of the scheme.

Key Words: Food Corporation of India, Procurement Policy, Transportation and Distribution Costs, Food Subsidy

1. Social Justice and Food Policy

The national objective of growth with social justice and progressive improvements in the living standards of the population make it imperative to ensure that food grain is made available at reasonable prices. Public Distribution of food grains has always been an integral part of India's overall food policy. It has been evolved to reach the urban as well as the rural population in order to protect the consumers from the fluctuating and escalating price syndrome. A steady availability of food grains at fixed prices is assured which is lower than actual costs due to the government's policy of providing subsidy that absorbs a part of the economic cost (about 45%). Continuous availability of food grain is ensured through around 4.5 lakhs fair price shops spread throughout the country.

The Government of India introduced a scheme called Targeted Public Distribution Scheme (TPDS) effective from June 1997. The stocks are issued mainly under the (Above Poverty Line) APL and (Below Poverty Line) BPL schemes. There are, however, several other schemes including:

- Antyodaya Anna Yojana
- Mid-Day-Meal-Scheme (MDM)
- Wheat Based Nutrition Programme (WBNP)
- SC/ST/OBC Hostels
- Annapurna Scheme
- Supply of subsidised food grains to indigent people living in Welfare Institutions.
- Sampoorna Gramin Rozgar Yojana
- Special Component of Sampoorna Gramin Rozgar Yojna
- Food grains to Adolescent Girls, Pregnant and Lactating Mothers (AGPLM).
- Market Intervention Scheme
- World Food Programme (WFP)

Food Corporation of India (FCI) is entrusted with this activity.

2. Background of FCI

The Food Corporation of India was setup under the Food Corporations Act 1964, in order to fulfill the following objectives of the food policy.

- Effective price support operations for safeguarding the interests of the farmers
- Distribution of food grains throughout the country for Public Distribution System and
- Maintaining satisfactory level of operational and buffer stocks of food grains to ensure National Food Security.

- Maintaining satisfactory level of operational and buffer stocks of food grains to ensure National Food Security.

Since its inception in 1965, FCI has successfully met the challenges of managing the complex task of providing food security for the nation. The efficiency with which FCI tackled one of the worst droughts of the century not only cemented its role as the premier organization in charge of food security in India, but also brought it accolades from international organizations. Today it can take credit for having contributed a great deal in transforming India from a chronically food deficit country to one that is self-sufficient. The FCI ensures stability in food supplies to people all over the country, specially the vulnerable sections.

Management of the Food Economy of the country involves various activities such as procurement of food grains, building up and maintenance of food stocks, their storage, movement and delivery to the distributing agencies.

FCI operates through a countrywide network with its Corporate Office in New Delhi, 5 Zonal Offices, 23 Regional Offices practically in all the State capitals, 173 District Offices and over 1560 depots (as on 31.03.2004). It covers most of the Revenue Districts in the country and has manpower of 55000 employees (excluding handling workers) as on 31.12.2003.

2.1 Financing of FCI operations

FCI purchases the food grains for the Central Pool at the procurement prices and issues the same at the Central Issue Prices fixed by the Government of India. The issue prices so fixed do not cover the full economic cost incurred by the Corporation in the procurement, movement, storage and distribution of food grains. The difference represents the consumer subsidy for the Public Distribution System, and is paid to the Corporation by the Government of India. The Corporation also maintains buffer stock of food grains on behalf of the Govt. of India and the Government also reimburses the carrying charges of the buffer stocks to the Corporation.

Government of India provides funds to FCI to meet the cost of fixed assets such as offices, godowns, silos, railway sidings and weighbridges. The Authorized Capital of FCI is Rs. 2500 crores and the Paid-up Capital is Rs. 2392.72 crores as on 17.06.2004.

The total subsidy associated with the entire operations to provide foodgrains to the needy sections of the society amounts to over Rs. 25000 crores per annum. The transportation and distribution costs account for nearly 30-35% of this subsidy. Any measures that can minimize this component of the total subsidy without affecting the delivery of the scheme would be very desirable.

3.0 Zonal Procurement Policy

This paper proposes a revised procurement policy that would exploit self sufficiency of foodgrains at a zonal level to the extent possible. Such a policy will minimize inter-zonal movements of foodgrains without affecting the overall food policy and delivery. This will result in bringing greater operational efficiency and reduce transportation and distribution costs by reducing movement of foodgrains across zones.

FCI operates through five zones namely the East, North East, North, South and West. Procurement of both wheat and rice is limited to a few states even though production information indicates that many other states also produce substantial quantities. Rice is produced in substantial quantities in 14 states but significant procurement takes place in only 5 of these states, namely Punjab, Haryana, Andhra Pradesh, Rajasthan and Madhya Pradesh. Wheat is produced in 10 states and procured only in 3 states, namely Punjab, Haryana and Rajasthan. In addition marginal quantities (around 10% of production) of both wheat and rice are procured in UP, though the production in this state is very high.

This necessitates movement of foodgrain across the five zones which could potentially be reduced significantly.

4.0 Feasibility and Implications of a Zonal Procurement Policy

A zonal procurement and distribution policy, if feasible, can bring in substantial operational efficiencies and minimize related operational costs. Such a policy would try to fulfill the demand for food grains in a zone by procuring, storing and moving food grain within the zone to the extent possible.

In order to understand the relationship between production, procurement, allotment and offtake, information and data was obtained from FCI and from [1] and [2].

Information for five years available across all the zones (1997-1998 to 2001-2002) related to production, procurement, allotment and offtake of rice and wheat has been analysed in order to understand the extent to which each zone can be made self sufficient with respect to allotment and off take requirements

4.1 South Zone

The South zone comprises of Andhra Pradesh, Karnataka, Tamil Nadu and Kerala. Tables 1 and 2 provide information pertaining to production, procurement, allotment and offtake of rice and wheat respectively for the years in this zone.

4.1.1 Rice

AP, Karnataka and Tamil Nadu produce large quantities of rice in the South zone. However, the procurement of rice as a percentage of production varies across the states. In AP the procurement is around 49%, in Tamil Nadu it is much lower at 15% and in Karnataka it is negligible at 4%.

The allotment of food grains in these three states is around 25% of their collective production. The offtake as a percentage of production is even lower. The only exception is Kerala where the allotment and offtake is much higher than the production.

The allotment and offtake figures for the zone as a whole indicate that the requirement for rice can be met by the total production in the zone. During the five years the average allotment is 30% and offtake is only 23% of the production. The average procurement is at 29% most of which is from Andhra Pradesh. Therefore, a prudent operational strategy can help in completely eliminating the necessity for inter-zonal movement of rice.

In the long run if a policy of procuring a minimum of 25% of the foodgrain produced in Karnataka and Tamil Nadu is implemented it would eliminate inter state movement of rice to these states.

The only exception is Kerala where the allotment and offtake is much higher than the production. The requirement of this state can be easily met by procurement in AP that is in excess of its own requirements.

4.1.2 Wheat

The South zone does not produce sufficient quantities of wheat to fulfill the 1100 thousand MT average requirement during this period. No wheat is procured in this zone. Therefore, inter-zonal movement of wheat is necessary.

4.2 North East Zone

The North East zone comprises of Assam, Meghalaya, Tripura, Arunachal Pradesh, Mizoram, Nagaland, Manipur. Tables 3 and 4 provide information pertaining to production, procurement, allotment and offtake of rice and wheat respectively for the years in this zone.

4.2.1 Rice

Assam produces around 4 lakh MT of rice. However, no procurement takes place in the state. The allotment and offtake of rice in Assam are at 19% and 13% of the production. The other states in the region do not produce rice.

In this zone as a whole during the five years the average allotment is 40% and offtake is only 26% of the production. The allotment and offtake figures indicate that the requirement for rice can be partly met by the production in Assam. If 30% of the production in Assam can be procured it will amount to nearly 75% of the zonal requirement. However, poor connectivity within this zone may hamper the extent to which such a zonal procurement and distribution policy can be implemented. Despite these limitations inter-zonal movement of rice can be reduced substantially.

4.2.2 Wheat

The North East zone does not produce any wheat. Therefore, inter-zonal movement is necessary to meet the requirement of about 300 thousand MT.

4.3 North Zone

The North zone comprises of nine states (Punjab, Haryana, Uttara Pradesh, Uttaranchal, Himachal Pradesh, Chandigarh, Rajasthan, Delhi, Jammu & Kashmir). Tables 5 and 6 provide information pertaining to production, procurement, allotment and offtake of rice and wheat respectively for the years in this zone.

4.3.1 Rice

Punjab, Haryana and Uttara Pradesh produce large quantities of rice in the North zone. However, the procurement of rice as a percentage of production varies across the states. In Punjab the procurement is around 75%, in Haryana it is lower at an average of 40% and in Uttara Pradesh it is negligible at 10%.

The allotment of food grains in these three states is less than 1% of their collective production. The offtake as a percentage of production is even lower.

Most of the states in this zone do not consume much rice. The allotment and offtake figures for the zone as a whole indicate that the requirement for rice can be met by the total production in the zone. During the five years the average allotment is a mere 6% and offtake is only 3% of the production. The average procurement is at 36%.

In the long run if a policy of procuring a minimum of 25%-30% of the food grain produced in Uttara Pradesh is implemented it would immensely benefit the farmers of the state.

4.3.2 Wheat

The North zone produces sufficient quantities of wheat in most of the states. On an average over the last five years 50% of production in the state of Punjab and 40% of production in Haryana is procured. Inter state movement to Rajasthan could be avoided if a minimum of 25% of production is procured in the state to fulfill the requirements of the State. Currently, the procurement is much lesser at around 10%. The requirements of HP, Delhi and Jammu & Kashmir can be met from the surplus of the zone. The total surplus of this zone on an average works out to 11426 thousand MT.

4.4 East Zone

The East zone comprises of West Bengal, Bihar, Orissa and Jharkand. Tables 7 and 8 provide information pertaining to production, procurement, allotment and offtake of rice and wheat respectively for the years in this zone.

4.4.1 Rice

All the states produce large quantities of rice in this zone. Information on Jharkhand however, is not available as it was recently created. The procurement of rice as a percentage of production is almost negligible except in Orissa.

The allotment and off take of rice in the three states, excluding Jharkhand, is very less and works out to less than 10% of their collective production.

The allotment and offtake figures for the zone as a whole indicate that the requirement for rice can be met by the total production in the zone. During the five years the average allotment is 9% and offtake is only 5% of the production. The average procurement is at 4%. Therefore, increasing the procurement can help in completely eliminating the necessity for inter-zonal movement of rice by procuring from these states.

In the long run if a policy of procuring a minimum of 25% of the food grain produced in West Bengal, Bihar and Orissa is implemented it would eliminate inter state movement of rice to these states.

4.4.2 Wheat

The East zone produces sufficient quantities of wheat to fulfill part of its requirements. However, no wheat is procured in this zone and, therefore, inter-zonal movement of wheat is taking place at present. Bihar produces large quantities of wheat and the state's need could be easily met by procuring enough from the state.

The aggregate zonal off take is only 22% of its production. However the allotment is about 36% of production of the zone. Inter zonal movement could, therefore, be eliminated by procuring at least 30% of production during the next 3 to 5 years.

4.5 West Zone

The West zone comprises of Chattisgarh, Gujarath, Maharashtra and Madhya Pradesh. Tables 9 and 10 provide information pertaining to production, procurement, allotment and offtake of rice and wheat respectively for the years in this zone.

4.5.1 Rice

Except Chattisgarh all the three states produce large quantities of rice. However, the procurement of rice as a percentage of production is almost negligible except in MP.

The allotment and offtake figures for the zone as a whole indicate that the requirement for rice can be met by the total production in the zone. During the five years the average allotment is 35% and offtake is only 21% of the production. The average procurement is

at 23%. Therefore, a prudent operational strategy can help in completely eliminating the necessity for inter-zonal movement of rice.

In the long run if a policy of procuring a minimum of 25% of the foodgrain produced in all the states is implemented it would eliminate inter state movement of rice to the states in the West Zone other than Chattisgarh.

4.5.2 Wheat

The West zone produces sufficient quantities of wheat to fulfill its needs. The average allotment is 23% and offtake is just 13% of what is produced in this zone. The procurement, however, is just 4% of production in this zone. Therefore, currently inter-zonal movement of wheat is necessary. This could be avoided to a large extent by procuring enough from this zone.

5. Recommendations and Conclusions

In a zone as a whole if the production of food grains is sufficient to meet the requirements under the PDS and other schemes, it must be ensured that enough food grains are procured to meet the zonal demand from within the zone. Inter regional movements of food grains must be allowed only if the production in the zone is not sufficient to meet the zonal requirements.

Adequate storage must be created in the region for this purpose. This process will help states in developing procurement infrastructure at the mandi level. Necessary financing could be facilitated by NABARD.

Implementing a zonal procurement policy might require flexibility in the procurement prices across states to address the variation in production and other costs. Strategies that would provide adequate incentives to farmers may help in procuring the targeted quantities to meet the requirements of the state.

It is evident that a zonal procurement and distribution policy for both rice and wheat is quite feasible. FCI stands to derive several benefits from this policy. Reduction in transportation costs, transit losses and lead times, reduced dependency on railways for long hauls and increased control over movement will bring about overall reduction in direct and indirect costs and result in greater efficiencies. Preliminary analysis for the Southern Zone indicates a savings of around Rs. 1000 crores on transportation costs if the suggested policy is implemented. Further data is requested from FCI to extend the analysis for the entire country.

In addition, States also stand to benefit from the suggested zonal procurement policy through revenues generated from the collection of mandi tax. For instance, the State of Punjab and Haryana collect crores of rupees per annum through this tax.

6. References

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- [2] Economic Intelligence Service on Agriculture, CMIE, February 2004.
- [3] R. V. Murthy and T.V. Ramanayya, "*Report on Assessment of Storage Capacity Requirements - Construction of godowns and Railway sidings*", IIMB, Dec 2004.

Table 2
Southern Regional Analysis – WHEAT

State	Year	Production ('000s MT)	Procurement ('000 MT)	Allotment ('000 MT)	Offtake ('000 MT)	% Procurement*	% Allotment*	% Offtake*
ANDHRA PRADESH	1997-98	6	0	153	135	0.00	NA	NA
	1998-99	6	0	137	124	0.00	NA	NA
	1999-00	9	0	141	118	0.00	NA	NA
	2000-01	8	0	96	4	0.00	NA	NA
	2001-02	10	0	NA	NA	0.00	NA	NA
TAMIL NADU	1997-98	0	0	200	90	NA	NA	NA
	1998-99	0	0	360	229	NA	NA	NA
	1999-00	0	0	360	78	NA	NA	NA
	2000-01	0	0	0	0	NA	NA	NA
	2001-02	0	0	NA	NA	NA	NA	NA
KARNATAKA	1997-98	119	0	200	195	0.00	1.68	1.64
	1998-99	219	0	300	280	0.00	1.37	1.28
	1999-00	218	0	420	216	0.00	1.93	0.99
	2000-01	244	0	363	199	0.00	1.49	0.82
	2001-02	196	0	NA	NA	0.00	NA	NA
KERALA	1997-98	0	0	304	292	NA	NA	NA
	1998-99	0	0	453	433	NA	NA	NA
	1999-00	0	0	453	237	NA	NA	NA
	2000-01	0	0	453	30	NA	NA	NA
	2001-02	0	0	NA	NA	NA	NA	NA
REGION TOTAL	1997-98	125	0	857	712	0.00	6.86	5.70
	1998-99	225	0	1250	1065	0.00	5.55	4.74
	1999-00	227	0	1374	648	0.00	6.05	2.86
	2000-01	252	0	912	234	0.00	3.62	0.93
	2001-02	206	0	NA	NA	0.00	NA	NA
Average		83	0	439	266	0.00	5.52	3.55
Allotment-Procurement				439				
* Percentage of Production								

Table 3
North East Zone Analysis – RICE

State	Year	Production ('000s MT)	Procurement ('000 MT)	Allotment ('000 MT)	Offtake ('000 MT)	% Procurement*	% Allotment*	% Offtake*
ASSAM	1997-98	3383	0	481	349	0.00	0.14	0.10
	1998-99	3255	0	620	555	0.00	0.19	0.17
	1999-00	3861	0	670	528	0.00	0.17	0.14
	2000-01	4000	0	789	380	0.00	0.20	0.09
	2001-02	3854	0	854	504	0.00	0.22	0.13
MIZORAM	1997-98	0	0	90	77	NA	NA	NA
	1998-99	0	0	125	123	NA	NA	NA
	1999-00	0	0	125	91	NA	NA	NA
	2000-01	0	0	96	41	NA	NA	NA
	2001-02	0	0	101	38	NA	NA	NA
TRIPURA	1997-98	0	0	140	120	NA	NA	NA
	1998-99	0	0	200	183	NA	NA	NA
	1999-00	0	0	198	152	NA	NA	NA
	2000-01	0	0	165	60	NA	NA	NA
	2001-02	0	0	180	83	NA	NA	NA
MEGHALAYA	1997-98	0	0	165	117	NA	NA	NA
	1998-99	0	0	210	182	NA	NA	NA
	1999-00	0	0	208	192	NA	NA	NA
	2000-01	0	0	225	31	NA	NA	NA
	2001-02	0	0	162	51	NA	NA	NA

Table 3 (continued)

NAGALAND	1997-98	0	0	97	80	NA	NA	NA
	1998-99	0	0	126	115	NA	NA	NA
	1999-00	0	0	125	114	NA	NA	NA
	2000-01	0	0	122	18	NA	NA	NA
	2001-02	0	0	130	30	NA	NA	NA
MANIPUR	1997-98	0	0	81	35	NA	NA	NA
	1998-99	0	0	123	43	NA	NA	NA
	1999-00	0	0	125	42	NA	NA	NA
	2000-01	0	0	66	23	NA	NA	NA
	2001-02	0	0	71	26	NA	NA	NA
ARUNACHAL PRADESH	1997-98	0	0	87	70	NA	NA	NA
	1998-99	0	0	109	94	NA	NA	NA
	1999-00	0	0	109	102	NA	NA	NA
	2000-01	0	0	89	30	NA	NA	NA
	2001-02	0	0	96	47	NA	NA	NA
ZONE TOTAL	1997-98	3383	0	1141	849	0.00	0.34	0.25
	1998-99	3255	0	1512	1295	0.00	0.46	0.40
	1999-00	3861	0	1559	1221	0.00	0.40	0.32
	2000-01	4000	0	1550	583	0.00	0.39	0.15
	2001-02	3854	0	1595	778	0.00	0.41	0.20
Average		3671	0	1472	945	0.00	0.40	0.26
Allotment-Procurement			1472					
* Percentage of Production								

Table 4
North East Zone Analysis – WHEAT

State	Year	Production ('000s MT)	Procurement ('000 MT)	Allotment ('000 MT)	Offtake ('000 MT)	% Procurement*	% Allotment*	% Offtake*
ASSAM	1997-98	110	0	263	141	NA	NA	NA
	1998-99	91	0	364	312	NA	NA	NA
	1999-00	98	0	214	219	NA	NA	NA
	2000-01	86	0	124	0	NA	NA	NA
	2001-02	85	0	0	0	NA	NA	NA
MIZORAM	1997-98	0	0	14	14	NA	NA	NA
	1998-99	0	0	24	24	NA	NA	NA
	1999-00	0	0	14	15	NA	NA	NA
	2000-01	0	0	15	3	NA	NA	NA
	2001-02	0	0	0	0	NA	NA	NA
TRIPURA	1997-98	0	0	15	11	NA	NA	NA
	1998-99	0	0	22	18	NA	NA	NA
	1999-00	0	0	17	8	NA	NA	NA
	2000-01	0	0	15	0	NA	NA	NA
	2001-02	0	0	0	0	NA	NA	NA
MEGHALAYA	1997-98	0	0	22	22	NA	NA	NA
	1998-99	0	0	30	30	NA	NA	NA
	1999-00	0	0	14	16	NA	NA	NA
	2000-01	0	0	12	0	NA	NA	NA
	2001-02	0	0	0	0	NA	NA	NA

Table 4 (continued)

NAGALAND	1997-98	0	0	28	27	NA	NA	NA
	1998-99	0	0	38	38	NA	NA	NA
	1999-00	0	0	23	19	NA	NA	NA
	2000-01	0	0	23	5	NA	NA	NA
	2001-02	0	0	0	0	NA	NA	NA
MANIPUR	1997-98	0	0	21	20	NA	NA	NA
	1998-99	0	0	33	31	NA	NA	NA
	1999-00	0	0	23	0	NA	NA	NA
	2000-01	0	0	21	0	NA	NA	NA
	2001-02	0	0	0	0	NA	NA	NA
ARUNACHAL PRADESH	1997-98	0	0	6	5	NA	NA	NA
	1998-99	0	0	7	6	NA	NA	NA
	1999-00	0	0	8	5	NA	NA	NA
	2000-01	0	0	8	1	NA	NA	NA
	2001-02	0	0	0	0	NA	NA	NA
ZONE TOTAL	1997-98	110	0	368	241	NA	NA	NA
	1998-99	91	0	517	457	NA	NA	NA
	1999-00	98	0	314	282	NA	NA	NA
	2000-01	86	0	218	8	NA	NA	NA
	2001-02	85	0	0	0	NA	NA	NA
Average		94	0	283	198	NA	NA	NA
Allotment-Procurement			283					
<i>* Percentage of Production</i>								

Table 5
North Zone Analysis – RICE

State	Year	Production ('000s MT)	Procurement ('000 MT)	Allotment ('000 MT)	Offtake ('000 MT)	% Procurement*	% Allotment*	% Offtake*
PUNJAB	1997-98	7904	6036	10	2	0.76	0.00	0.00
	1998-99	7940	4384	12	1	0.55	0.00	0.00
	1999-00	8716	6787	12	0	0.78	0.00	0.00
	2000-01	9150	6935	20	0	0.76	0.00	0.00
	2001-02	8816	7217	21	2	0.82	0.00	0.00
HARYANA	1997-98	2556	1268	0	0	0.50	0.00	0.00
	1998-99	2425	300	0	0	0.12	0.00	0.00
	1999-00	2594	986	0	0	0.38	0.00	0.00
	2000-01	2680	1477	0	2	0.55	0.00	0.00
	2001-02	2724	1451	0	0	0.53	0.00	0.00
UTTARPRADESH	1997-98	12165	1074	442	260	0.09	0.04	0.02
	1998-99	11387	868	632	463	0.08	0.06	0.04
	1999-00	12912	1421	740	488	0.11	0.06	0.04
	2000-01	11540	1172	873	321	0.10	0.08	0.03
	2001-02	12459	1685	945	339	0.14	0.08	0.03
UTTARANCHAL	1997-98	0	0	0	0	NA	NA	NA
	1998-99	0	0	0	0	NA	NA	NA
	1999-00	0	0	0	0	NA	NA	NA
	2000-01	0	42	25	0	NA	NA	NA
	2001-02	0	237	87	0	NA	NA	NA
HIMACHAL PRADESH	1997-98	120	0	112	69	0.00	0.93	0.58

	1998-99	118	0	145	94	0.00	1.23	0.80
	1999-00	120	0	147	65	0.00	1.22	0.54
	2000-01	125	1	99	26	0.01	0.79	0.21
	2001-02	137	11	251	120	0.08	1.83	0.88
CHANDIGGARH								
	1997-98	0	11	2	1	NA	NA	NA
	1998-99	0	6	4	2	NA	NA	NA
	1999-00	0	15	4	0	NA	NA	NA
	2000-01	0	16	3	0	NA	NA	NA
	2001-02	0	0	3	0	NA	NA	NA
RAJASTHAN								
	1997-98	190	7	47	2	0.04	0.25	0.01
	1998-99	206	4	47	5	0.02	0.23	0.03
	1999-00	253	32	16	3	0.13	0.06	0.01
	2000-01	156	26	33	1	0.17	0.21	0.01
	2001-02	180	39	17	1	0.22	0.09	0.01
DELHI								
	1997-98	0	0	134	78	NA	NA	NA
	1998-99	0	0	165	113	NA	NA	NA
	1999-00	0	6	155	74	NA	NA	NA
	2000-01	0	0	163	2	NA	NA	NA
	2001-02	0	0	176	29	NA	NA	NA

Table 5 (continued)

JAMMU & KASHMIR	1997-98	549	0	343	257	0.00	0.62	0.47
	1998-99	589	0	387	318	0.00	0.66	0.54
	1999-00	391	0	433	343	0.00	1.11	0.88
	2000-01	415	0	263	69	0.00	0.63	0.17
	2001-02	422	0	285	254	0.00	0.67	0.60
ZONE TOTAL	1997-98	23484	8396	1090	669	0.36	0.05	0.03
	1998-99	22665	5562	1391	995	0.25	0.06	0.04
	1999-00	24986	9247	1505	973	0.37	0.06	0.04
	2000-01	24066	9669	1479	421	0.40	0.06	0.02
	2001-02	24738	10640	1784	744	0.43	0.07	0.03
Average		23988	8703	1450	761	0.36	0.06	0.03
Allotment-Procurement			-7253					
* Percentage of Production								

Table 6
North Zone Analysis – WHEAT

State	Year	Production ('000s MT)	Procurement ('000 MT)	Allotment ('000 MT)	Offtake ('000 MT)	% Procurement*	% Allotment*	% Offtake*
PUNJAB	1997-98	12715	5961	51	7	0.47	0.00	0.00
	1998-99	14460	6146	62	8	0.43	0.00	0.00
	1999-00	15910	7832	62	2	0.49	0.00	0.00
	2000-01	15550	9424	108	12	0.61	0.01	0.00
	2001-02	15499	10560	0	0	0.68	0.00	0.00
HARYANA	1997-98	7554	2290	151	73	0.30	0.02	0.01
	1998-99	8568	3158	157	75	0.37	0.02	0.01
	1999-00	9650	3870	157	84	0.40	0.02	0.01
	2000-01	9669	4498	185	48	0.47	0.02	0.00
	2001-02	9437	6407	0	0	0.68	0.00	0.00
UTTAR PRADESH	1997-98	22147	617	1007	693	0.03	0.05	0.03
	1998-99	22781	2141	1319	1003	0.09	0.06	0.04
	1999-00	22551	1261	1529	844	0.06	0.07	0.04
	2000-01	25169	1545	1799	889	0.06	0.07	0.04
	2001-02	25019	2446	0	0	0.10	0.00	0.00
UTTARANCHAL	1997-98	687	0	0	0	NA	NA	NA
	1998-99	684	0	0	0	NA	NA	NA
	1999-00	797	0	0	0	NA	NA	NA
	2000-01	715	0	17	0	NA	NA	NA
	2001-02	735	140	0	0	NA	NA	NA
HIMACHAL PRADESH	1997-98	641	0	107	92	0.00	0.17	0.14
	1998-99	641	0	140	127	0.00	0.22	0.20
	1999-00	583	0	142	55	0.00	0.24	0.09
	2000-01	251	0	107	28	0.00	0.43	0.11
	2001-02	604	2	0	0	NA	0.00	0.00
CHANDIGHAR	1997-98	0	2	14	3	NA	NA	NA
	1998-99	0	0	22	5	NA	NA	NA
	1999-00	0	0	22	0	NA	NA	NA

	2000-01	0	0	15	0	NA	NA	NA
	2001-02	0	12	0	0	NA	NA	NA
RAJASTHAN	1997-98	6701	320	641	289	0.05	0.10	0.04
	1998-99	6880	667	840	449	0.10	0.12	0.07
	1999-00	6732	637	633	243	0.09	0.09	0.04
	2000-01	5550	539	1252	331	0.10	0.23	0.06
	2001-02	6389	676	0	0	0.11	0.00	0.00
DELHI	1997-98	0	0	531	423	NA	NA	NA
	1998-99	0	8	695	560	NA	NA	NA
	1999-00	0	2	725	54	NA	NA	NA
	2000-01	0	0	512	11	NA	NA	NA
	2001-02	0	50	0	0	NA	NA	NA
JAMMU & KASHMIR	1997-98	397	0	231	120	0.00	0.58	0.30
	1998-99	368	0	365	138	0.00	0.99	0.38
	1999-00	365	0	365	46	0.00	1.00	0.13
	2000-01	150	0	124	31	0.00	0.83	0.21
	2001-02	343	0	0	0	0.00	0.00	0.00
ZONE TOTAL	1997-98	50842	9190	2733	1700	0.18	0.05	0.03
	1998-99	54382	12120	3597	2365	0.22	0.07	0.04
	1999-00	56588	13602	3634	1330	0.24	0.06	0.02
	2000-01	57054	16006	4117	1350	0.28	0.07	0.02
	2001-02	58026	20293	0	0	0.35	0.00	0.00
Average		55378	14242	2816	1349	0.25	0.05	0.02
Allotment-Procurement			-11426					
* Percentage of Production								

Table 7
East Zone Analysis – RICE

State	Year	Production ('000s MT)	Procurement ('000 MT)	Allotment ('000 MT)	Offtake ('000 MT)	% Procurement*	% Allotment*	% Offtake*
WEST BENGAL	1997-98	13237	203	407	231	0.02	0.03	0.02
	1998-99	13317	141	567	250	0.01	0.04	0.02
	1999-00	13951	351	519	421	0.03	0.04	0.03
	2000-01	12430	0	875	340	0.00	0.07	0.03
	2001-02	15257	48	1015	270	0.00	0.07	0.02
BIHAR	1997-98	3383	22	423	149	0.01	0.12	0.04
	1998-99	3255	0	507	236	0.00	0.16	0.07
	1999-00	3861	20	507	237	0.01	0.13	0.06
	2000-01	3999	8	837	132	0.00	0.21	0.03
	2001-02	3854	9	786	109	0.00	0.20	0.03
ORISSA	1997-98	6205	701	515	380	0.11	0.08	0.06
	1998-99	5392	481	257	576	0.09	0.05	0.11
	1999-00	5187	889	1170	888	0.17	0.23	0.17
	2000-01	4610	918	995	663	0.20	0.22	0.14
	2001-02	7148	934	1040	587	0.13	0.15	0.08
JHARKAND	1997-98	0	0	0	0	NA	NA	NA
	1998-99	0	0	0	0	NA	NA	NA
	1999-00	0	0	0	0	NA	NA	NA
	2000-01	0	0	82	14	NA	NA	NA
	2001-02	0	0	289	109	NA	NA	NA

Table 7 (continued)

ZONE TOTAL	1997-98	22825	926	1345	761	0.04	0.06	0.03
	1998-99	21964	622	1332	1061	0.03	0.06	0.05
	1999-00	22999	1260	2196	1546	0.05	0.10	0.07
	2000-01	21039	926	2789	1150	0.04	0.13	0.05
	2001-02	26259	991	3130	1075	0.04	0.12	0.04
Average		23017	945	2158	Average	0.04	0.09	0.05
Allotment-Procurement			1213					
* Percentage of Production								

Table 8
East Zone Analysis – WHEAT

	Year	Production ('000s MT)	Procurement ('000 MT)	Allotment ('000 MT)	Offtake ('000 MT)	% Procurement*	% Allotment*	% Offtake*
WEST BENGAL	1997-98	811	0	983	815	0.00	1.21	1.00
	1998-99	778	0	1047	960	0.00	1.35	1.23
	1999-00	796	0	1061	435	0.00	1.33	0.55
	2000-01	1060	0	1355	533	0.00	1.28	0.50
	2001-02	962	0	0	0	0.00	0.00	0.00
BIHAR	1997-98	3939	0	674	440	0.00	0.17	0.11
	1998-99	4292	0	831	714	0.00	0.19	0.17
	1999-00	4518	0	861	659	0.00	0.19	0.15
	2000-01	4438	0	1256	430	0.00	0.28	0.10
	2001-02	4384	43	0	0	0.01	0.00	0.00
ORISSA	1997-98	0	0	199	103	NA	NA	NA
	1998-99	0	0	435	402	NA	NA	NA
	1999-00	0	0	420	166	NA	NA	NA
	2000-01	0	0	102	0	NA	NA	NA
	2001-02	0	0	0	0	NA	NA	NA
JHARKAND	1997-98	0	0	0	0	NA	NA	NA
	1998-99	0	0	0	0	NA	NA	NA
	1999-00	0	0	0	0	NA	NA	NA
	2000-01	0	0	123	73	NA	NA	NA
	2001-02	0	0	0	0	NA	NA	NA

Table 9
Western Zone Analysis – RICE

State	Year	Production ('000s MT)	Procurement ('000 MT)	Allotment ('000 MT)	Offtake ('000 MT)	% Procurement*	% Allotment*	% Offtake*
CHATTISGHAR	1997-98	0	0	0	0	NA	NA	NA
	1998-99	0	0	0	0	NA	NA	NA
	1999-00	0	0	0	0	NA	NA	NA
	2000-01	0	855	126	88	NA	NA	NA
	2001-02	0	1680	452	226	NA	NA	NA
GUJARATH	1997-98	1042	0	238	131	0.00	0.23	0.13
	1998-99	1016	0	356	251	0.00	0.35	0.25
	1999-00	985	0	293	169	0.00	0.30	0.17
	2000-01	473	0	560	117	0.00	1.18	0.25
	2001-02	1029	0	463	145	0.00	0.45	0.14
MAHARASHTRA	1997-98	2395	32	535	451	0.01	0.22	0.19
	1998-99	2468	5	722	666	0.00	0.29	0.27
	1999-00	2536	51	762	681	0.02	0.30	0.27
	2000-01	1950	36	790	374	0.02	0.41	0.19
	2001-02	2651	135	1088	511	0.05	0.41	0.19
MADHYA PRADESH	1997-98	1591	1027	344	226	0.65	0.22	0.14
	1998-99	1633	429	417	306	0.26	0.26	0.19
	1999-00	1698	1102	412	319	0.65	0.24	0.19
	2000-01	1674	175	577	283	0.10	0.34	0.17
	2001-02	1755	268	411	174	0.15	0.23	0.10

Table 9

ZONE TOTAL	1997-98	5028	1059	1117	809	0.21	0.22	0.16
	1998-99	5117	434	1496	1223	0.08	0.29	0.24
	1999-00	5219	1153	1467	1169	0.22	0.28	0.22
	2000-01	4097	1066	2053	862	0.26	0.50	0.21
	2001-02	5435	2083	2414	1056	0.38	0.44	0.19
Average		4979	1159	1709	1024	0.23	0.35	0.21
Allotment-Procurement			550					
* Percentage of Production								

Table 10
Western Zone Analysis – WHEAT

State	Year	Production ('000s MT)	Procurement ('000 MT)	Allotment ('000 MT)	Offtake ('000 MT)	% Procurement*	% Allotment*	% Offtake*
GUJARATH	1997-98	1647	0	608	399	0.00	0.37	NA
	1998-99	1703	2	494	404	0.00	0.29	NA
	1999-00	1020	0	740	294	0.00	0.73	NA
	2000-01	650	0	919	287	0.00	1.41	NA
	2001-02	1145	0	0	0	NA	NA	NA
MAHARASHTRA	1997-98	671	0	1062	822	0.00	1.58	NA
	1998-99	1309	0	1178	1094	0.00	0.90	NA
	1999-00	1436	0	1208	1077	0.00	0.84	NA
	2000-01	950	0	1465	627	0.00	1.54	NA
	2001-02	1077	0	0	0	NA	NA	NA
CHATTISGHAR	1997-98	0	0	0	0	NA	NA	NA
	1998-99	0	0	0	0	NA	NA	NA
	1999-00	0	0	0	0	NA	NA	NA
	2000-01	0	0	42	3	NA	NA	NA
	2001-02	0	0	0	0	NA	NA	NA
MADHYA PRADESH	1997-98	7152	107	465	244	0.01	0.07	0.03
	1998-99	8255	530	504	320	0.06	0.06	0.04
	1999-00	8369	542	504	316	0.06	0.06	0.04
	2000-01	4869	351	815	289	0.07	0.17	0.06
	2001-02	5632	294	0	0	0.05	0.00	0.00

ZONE TOTAL	1997-98	9470	107	2134	1466	0.01	0.23	0.15
	1998-99	11267	532	2176	1817	0.05	0.19	0.16
	1999-00	10825	542	2452	1687	0.05	0.23	0.16
	2000-01	6469	351	3241	1206	0.05	0.50	0.19
	2001-02	7854	294	0	0	0.04	0.00	0.00
Average		9177	365.2	2000.6194	1235.1742	0.04	0.23	0.13
Allotment-Procurement			1635.4194					
* Percentage of Production								