

The Government has undertaken a rice procurement scheme to deal with this problem. The procurement scheme, if successful, would reduce the country's reliance on imported foodgrains as well as help stabilize prices and thus ensure a more equitable distribution of foodgrains. It would also help reduce foodgrain leakages into India.

Procurement during 1973, the first attempt in some ten years, accumulated a maximum of only 70,000 tons of rice. The first procurement for 1974 began in November on a voluntary basis. As the market price in some areas dropped below the procurement price farmers were willing to sell their surplus to the purchasing centres or to the government appointed authorized grain dealers. By December 11, 1974 only 6,500 tons had been purchased under this voluntary scheme at which time the government introduced a compulsory program. Large landholders were served with Demand Notices requiring them to deliver a percentage of surplus rice to specific purchasing centres within a certain time limit. The Demand Notice could be appealed to the Deputy Commissioner or to the Controller of Food within ten days; after that they were required to sell their rice. If they fail to do so, the government could obtain a court order to seize their surpluses.

Farmers were allowed to retain from their crop an equivalent of thirty-five pounds of rice per month per member of the family over three years of age to provide for their own requirements until the harvesting of the next crop. Farmers were also allowed to retain specified amounts for seed and special purposes such as weddings and farm labour. After making allowances for these amounts farmers were required to sell to the government fifty percent of their surplus up to 200 mounds (one mound equals 82.2 pounds) and one hundred percent of the surplus over 200 mounds in border areas but only 75 percent of the surplus elsewhere.