

**GOVERNMENT OF INDIA  
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
LOK SABHA**

STARRED QUESTION NO:173  
ANSWERED ON:05.12.2005  
PROCUREMENT OF FOODGRAINS  
Singh Shri Prabhunath

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

- (a) whether due to a serious lacunae in the procurement policy, foodgrains being procured by the Government in some States are not in accordance with their production;
- (b) if so, whether only a small quantity of foodgrains is being procured from some States due to the inadequate number of procurement centres set up therein;
- (c) if so, whether the benefit of Minimum Support Price is being availed of by the farmers of only a few States;
- (d) if so, the manner in which the Government proposes to procure foodgrains equitably from all States;
- (e) whether in some States handling charges are more than the actual price and the farmers are not immediately paid for the foodgrains procured from them; and
- (f) if so, the remedial steps proposed to be taken in this regard ?

**Answer**

MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION ( SHRI SHARAD PAWAR )

(a), (b), (c), (d), (e) & (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF THE STARRED QUESTION NO. 173 DUE FOR ANSWER ON 5.12.2005 IN THE LOK SABHA.

(a), (b), & (c): As per the existing policy, foodgrains procurement is carried out by the FCI/State agencies in an open-ended manner at the minimum support prices fixed by the Government of India in all the States irrespective of any quantum and discrimination. The number and location of procurement centers are fixed depending upon the local requirement. The quantity of foodgrains procured by Government agencies in a State depends on several factors including production of foodgrains, market prices prevailing in the State, extent of private participation and market arrivals.

(d): The Government of India has taken several measures to increase procurement in non-traditional States to fully extend the benefits of minimum support price (MSP) to local farmers, enhance efficiency of procurement and PDS, as well as provide foodgrains more suited to local taste under the PDS. This would also effect savings in transportation and handling costs of the FCI.

(e): No complaint of handling charges being in excess of approved rates have been received. The FCI has further reported that farmers are being paid on the very day of acceptance of the foodgrains stock. Instructions have also been issued to State Governments to ensure prompt payment to farmers for foodgrains purchased under MSP operations by the State agencies.

(f): Does not arise.