

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

UNSTARRED QUESTION NO:1291  
ANSWERED ON:16.11.2010  
DECENTRALISED PROCUREMENT SCHEME  
Ram Shri Purnmasi

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

- (a) the objectives of the Decentralised Procurement Scheme (DPS);
- (b) whether only six States for wheat and ten States for rice have undertaken the DPS scheme so far;
- (c) if so, the reasons for not undertaking the DPS scheme by the remaining States;
- (d) whether the Government has identified the shortcomings of the said scheme; and
- (e) if so, the steps taken to overcome the same?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF THE STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a): The Scheme of Decentralised Procurement (DCP) of food grains was introduced in 1997-98 with a view to enhance efficiency of procurement & Public Distribution System(PDS) by encouraging local procurement and distribution of food grains under PDS. State Governments joining this scheme undertake the responsibility of local procurement of food grains, their scientific storage and distribution through Targeted Public Distribution (TPDS). The surplus food grains procured by DCP states, in excess of their TPDS requirement are handed over to FCI for release to other states and deficit, if any, is met by FCI.

(b): Yes, Madam. For wheat, 6 states (Uttar Pradesh, Madhya Pradesh, Uttrakhand, Chhattisgarh, Gujarat and West Bengal) and for rice, 10 states (Uttar Pradesh, Uttrakhand, Chhattisgarh, Orissa, Tamil Nadu, West Bengal, Kerala, Karnataka, MP and A&Nicobar Islands) adopted the DCP system of procurement. However, Uttar Pradesh has withdrawn from DCP System from Rabi Marketing (RMS) 2010-11 and from Kharif Marketing Season (KMS) 2010-11.

(c),(d)&(e): Joining of DCP schemes by States is optional. State Government join the scheme based on availability of infrastructure and other resources such as manpower, storage facilities and necessary logistics required for procurement. In view of this only the states having adequate infrastructure and other resources join the scheme. Shortcomings noticed in operation of scheme relate to time taken in release of subsidy to DCP States, inadequacy of scientific storage facilities and inefficient operations. Efforts are underway to address these issues.