

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

UNSTARRED QUESTION NO:3381
ANSWERED ON:23.08.2011
DECENTRALISED PROCUREMENT SCHEME
Kumar Shri P.;Nirupam Shri Sanjay Brijkishorilal

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

- (a) whether the Decentralized Procurement Scheme (DPS) introduced by the Government a decade ago has not been implemented in many States;
- (b) if so, the details thereof and the reasons therefor;
- (c) if so, whether the Union Government had urged the State Governments to implement the DPS in the interests, of the farmers;
- (d) if so, the details thereof and the follow-up action taken by the Government in the matter; and
- (e) the steps taken to make DPS more attractive for the States?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a)&(b): At present, the States of West Bengal, Madhya Pradesh, Chhattisgarh, Uttarkhand, Orissa, Tamil Nadu, Karnataka, Kerala and Union Territory of Andaman & Nicobar Island are procuring rice under Decentralized Procurement (DCP) Scheme. The States of West Bengal, Madhya Pradesh, Chhattisgarh, Uttarkhand and Gujarat are procuring wheat under DCP Scheme.

The choice of adopting DCP system lies with the State Governments. The determining factor are infrastructure and resources available with the respective State Governments including manpower, storage and necessary logistics required for procurement and accordingly State Governments adopt to the DCP procurement system.

(c),(d)&(e): Government of India has been taking up with other potential States to adopt the Decentralized Procurement Scheme from time to time.

DCP Scheme enhances the reach of State procuring agencies to enable them reach to more farmers for providing them benefits of the price support system. It also encourages production of local variety of foodgrains which is consumed within the State.

DCP States are provided quarterly subsidy advance and provisional subsidy directly from Government of India on submission of their claims for the foodgrains distributed by them.