

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

UNSTARRED QUESTION NO:1011
ANSWERED ON:20.03.2012
FOODGRAIN PROCUREMENT COST
Natarajan Shri P.R.

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

- (a) whether the foodgrain procurement cost is high across the country;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the details of foodgrains arrival in the market and procurement by the Union Government during the last two years and the current year, State-wise and foodgrainwise?

Answer

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

(a)&(b): No, Madam. The foodgrains are procured at Minimum Support Price(MSP) from the farmers which is uniform across the country. The acquisition cost of foodgrains includes MSP and statutory taxes levied by the concerned State Governments and procurement incidentals such as mandi labour charges, storage and interest charges, gunny cost, milling charges for rice and administrative charges paid to State Government procurement agencies etc. The acquisition cost for 2011-12 as per revised estimates is Rs.1892.88 per quintal for rice and Rs.1399.46 per quintal for wheat. Out of those, the procurement incidentals were only Rs.178.17 per quintal for Rice and Rs.134.74 per quintal for Wheat while the balance comprised of MSP and taxes and statutory levies.

(c): Details of foodgrain arrivals and procurement are at Annexure I & II.