

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

UNSTARRED QUESTION NO:7501  
ANSWERED ON:22.05.2012  
ASSESSMENT OF PROCUREMENT  
Premdas Shri

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

- (a) whether the Government has chalked out any action plan to speed up the procurement of foodgrains at the procurement centres of the Food Corporation of India (FCI);
- (b) if so, the details thereof;
- (c) whether the Government has made any assessment of the performance of FCI in procurement of foodgrains;
- (d) if so, the details and the outcome thereof; and
- (e) the details and number of procurement centres opened during each of the last three years and the current year, State-wise?

**Answer**

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

(a) & (b): As per the existing procurement policy, the Central Government extends price support for paddy, wheat and coarse grains through the Food Corporation of India (FCI) and State Governments / State agencies. Sufficient number of procurement centres are set up by FCI / State agencies keeping in view procurement potential and geographical spread of the State concerned. Before the start of every marketing season, Department of Food & Public Distribution convenes a meeting of State food secretaries, Food Corporation of India and other stake holders to prepare a detailed action plan for making the arrangements of procurement in the ensuing marketing season. Details of number of procurement centres to be opened and arrangements like purchase of packaging material and storage space etc. are discussed in the meeting. Review is made from time to time on the need of additional procurement centres if any. During the procurement season, the required additional procurement centres are also opened. To encourage procurement from small and marginal farmers, especially in States where marketing infrastructure is not well developed, Cooperative Societies and self-help groups are also encouraged to undertake procurement by giving them incentive commission of 2.5% of the Minimum Support Price (MSP). Instructions have been issued to FCI and States to open procurement centres at locations convenient to farmers. Further more, MSP of both wheat and rice has been increased in the last few years to encourage procurement.

(c): No such study has been made by Government.

(d): In view of part (c) above, question does not arise.

(e): Details of procurement centres opened are at Annexure-I, II and III.