

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

UNSTARRED QUESTION NO:4112
ANSWERED ON:18.12.2012
PROCUREMENT OF FOODGRAINS
Singh Shri Jagada Nand

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

(a) whether the Food Corporation of India (FCI) and the State procurement agencies in Bihar have failed to set up adequate number of procurement centres in the State and are not procuring paddy from the farmers in the State despite the declaration of Minimum Support Price;

(b) if so, the details thereof and the reasons therefor; and

(c) the steps taken to ensure proper procurement of the paddy and to provide remunerative price to the farmers?

Answer

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

(a) & (b): Food Corporation of India is not participating in procurement of paddy in Bihar in Kharif Marketing Season (KMS) 2012-13 as per decision of the Government of Bihar. As informed by the Bihar Government, 8463 Primary Agriculture Cooperative Societies have been authorised to buy paddy at the panchayat level. In addition, Bihar State Food & Civil Supplies Corporation has opened 570 purchase centre at the Block level as per requirement.

(c): Besides opening sufficient number of procurement centres, farmers throughout the State are being paid MSP on the spot through account payee cheques, as informed by the State Government. In addition, with a view to increase procurement of paddy, following steps have been taken by the Government of India:-

1. MSP of paddy has been increased in the last few years to offer remunerative price to farmers.
2. In order to extend the reach of Minimum Support Price (MSP) operations to marginal / small farmers, commission at the rate of 2.5% of MSP in respect of paddy has been allowed to Cooperative Societies / Self Help Groups.
3. To create awareness about the MSP and the procurement policy of the Government, wide publicity is given through pamphlets, sign boards and print & electronic media every year.
4. States are encouraged to adopt Decentralised Procurement (DCP) system to maximize procurement and to ensure better reach of MSP to farmers.