

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

UNSTARRED QUESTION NO:334
ANSWERED ON:26.02.2013
DISTRESS SALE OF PADDY
Singh Dr. Raghuvansh Prasad

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

- (a) whether paddy growers in Bihar are forced to sell their produce to middlemen at throwaway prices due to the lack of interest shown by the Food Corporation of India (FCI) and other agencies of the State Governments in procuring the same;
- (b) if so, the details thereof and the reasons therefor alongwith the steps taken by the Union Government for paddy procurement from the State; and
- (c) the details of the arrangements made by the State Government for paddy procurement during the recent Kharif season?

Answer

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

(a) & (b) No, Madam. Food Corporation of India is not involved in paddy procurement operations in Bihar as per the decision taken by the State Government. The procurement of paddy from farmers is being carried out by the State Government agencies for KMS 2012-13 through the network of 8463 Primary Agriculture Co-operative Societies (PACS) in each Panchayat and operating paddy procurement centres by Bihar State Food Corporation (BSFC) in each block (534). A quantity of 7.98 lakh tons of paddy has already been purchased by the agencies from farmers during KMS 2012-13 in Bihar Region (up to 20.02.2013).

No report has been received regarding sale of paddy by farmers through middlemen at throw away price.

(c) In order to ensure smooth procurement operations, Government of Bihar has authorised all 8463 Primary Agriculture Co-operative Societies (PACS) to buy paddy from the farmers at the Panchayat level and Bihar State Food Corporation (BSFC) at block level to ensure the payment of MSP to farmers. Farmers are being paid on the spot through account payee cheques on production of proper documents. The State Government has provided more than Rs. 1830 crores to SFC and PACS for on the spot payment to farmers through account payee cheques. In addition, SFC has obtained credit line to the tune of Rs. 245 crores from various commercial banks. The procurement procedure is being monitored at the highest level in every district of the State.