

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

UNSTARRED QUESTION NO:2872
ANSWERED ON:27.08.2013
DECENTRALISED PROCUREMENT .
Siddeswara Shri Gowdar Mallikarjunappa

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

- (a) the details of the States that have adopted decentralised procurement scheme along with the benefits accruing to the States from the scheme;
- (b) whether some other States have also expressed their interest in adopting the scheme;
- (c) if so, the details thereof and the reaction of the Government thereto; and
- (d) the manner and the extent to which this scheme has helped in lowering the storage burden of the Union Government?

Answer

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

(a): DCP States for Wheat

1. Madhya Pradesh
2. Uttrakhand
3. Chattisgarh
4. Gujarat
5. West Bengal
6. Rajasthan (Alwar District in 2013-14)

DCP States for Rice

1. Uttrakhand
2. Chhattisgarh
3. Orissa
4. Tamilnadu
5. West Bengal
6. Kerala
7. A&N Island
8. Karnataka

9. Madhya Pradesh

10. Andhra Pradesh (only for 7 districts w.e.f. 2012-13).

Following benefits accrue to States under Decentralized Procurement System:-

(i) The State is made self sufficient in procurement and distribution of foodgrains, thereby reducing the dependence on Central government agencies for procurement of foodgrains.

(ii) The State can boost local cultivation and enhance coverage of MSP to the farmers.

(iii) Higher local production and procurement save cost towards freight in bringing the stocks from outside the State.

(iv) Additional revenue will generate to the State Government concerned by way of higher levy and taxes with increased procurement.

(v) States are encouraged to contribute more foodgrains towards the central pool, thereby enhancing food security.

(b) and (c): The Government of India makes active efforts to pursue State Governments to adopt the Decentralized System of Procurement (DCP) scheme. The decision regarding adoption of DCP system lies with the State Governments. The determining factors are infrastructure and resources available with the respective State Governments. Recently, Government of Andhra Pradesh has adopted the Decentralised Procurement (DCP) Scheme of procurement in seven Districts from KMS 2012-13 onwards. Government of Rajasthan has also adopted the DCP system w.e.f RMS 2013-14; initially, in the Alwar district of the State.

(d): Under Decentralized Procurement (DCP) Scheme, State Governments themselves procure, store and distribute foodgrains under Targeted Public Distribution System (TPDS) and Other Welfare Schemes (OWS) to the extent that storage of procured foodgrains is done by States themselves and the burden of arranging storage facility by the Central Government gets reduced.