

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

UNSTARRED QUESTION NO:212  
ANSWERED ON:24.02.2015  
PROCUREMENT AGENCIES  
Ahlawat Smt. Santosh

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

- (a) the schedule for selection of agencies for undertaking procurement at the Minimum Support Price (MSP) along with the criteria/procedure adopted for the same;
- (b) the period for which these agencies are engaged for Procurement during a particular season;
- (c) whether any complaints have been received regarding irregularities in the procurement process during the last three years and the current year; and
- (d) if so, the details thereof and the corrective action taken by the Government in this regard, State-wise?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAOSAHEB PATIL DANVE)

(a) & (b): For wheat & rice usually different State Governments and its agencies alongwith Food Corporation of India (FCI) are entrusted for procurement under price support operations in non-DCP states. In DCP states, only the State Government agencies undertake procurement except in certain cases by FCI on the specific request from State Government. The selection of agencies for undertaking procurement at the Minimum Support Price (MSP) is done by State Governments. There is no specific schedule of time period for engagement of procurement agencies.

(c) & (d): A complaint regarding irregularities in wheat procurement in Rajasthan during Rabi Marketing Season (RMS) 2014-15 by Rajasthan State Warehousing Corporation (RSWC) which has been enquired into through Food Corporation of India (FCI).

It has been found that RSWC engaged one private firm namely M/S Shree Shubham Logistics Pvt. Ltd. (SSLL) in the procurement of wheat on the basis of sharing @ 50:50 of provisional administrative charges allowed by Government to the State agencies. The Government of India has decided not to allow the amount paid to SSLL to be included in the eligible cost to be paid to RSWC as Administrative Charges for MSP operations.