

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

STARRED QUESTION NO:424
ANSWERED ON:23.12.2014
PROCUREMENT AGENCIES
Bidhuri Shri Ramesh

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

- (a) the procedure laid down or adopted by the Government for procurement of foodgrains by various agencies;
- (b) the details of the foodgrains procured by various agencies during each of the last two years and the current year, State/UT-wise;
- (c) whether there is any monitoring mechanism to check irregularities in the procurement and the distribution of foodgrains by the agencies involved for the purpose;
- (d) if so, the details thereof indicating the number of irregularities reported therein during the said period along with the action taken thereon, agency-wise; and
- (e) the corrective steps taken to ensure smooth functioning of these agencies?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAMVILAS PASWAN)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF THE STARRED QUESTION NO. # 424 DUE FOR ANSWER ON 23.12.2014 IN THE LOK SABHA

(a): The Government procures the foodgrains from the farmers at the Minimum Support Prices (MSP) announced by the Government through Food Corporation of India (FCI) and State Government Agencies at the procurement centres set up for this purpose in the market yards or elsewhere. All the foodgrains conforming to the prescribed specifications offered for sale at these centres are bought by the procurement agencies at the MSP. The producers have the option to sell their produce in the open market as well, if it is advantageous to them.

Paddy is also procured by the millers at MSP from the farmers in some States under levy system and as decided by the State Government concerned a prescribed percentage of resultant rice is delivered by them to the State Agencies/FCI.

Government has also introduced Decentralized Procurement Scheme (DCP) from 1997-98 under which State Government itself procures, stores & distributes foodgrains under Targeted Public Distribution System (TPDS) and Other Welfare Scheme (OWS) and surplus stock, if any, is handed over to FCI.

(b): Details of foodgrains procured by various agencies during last two years & current year are at Annexure-I and II.

(c) to (e): The progress of procurement is monitored by the Government through an Online Procurement Monitoring System (OPMS). Under this system online daily procurement data is recorded by Food Corporation of India (FCI) official at District level, which is monitored by FCI and Government. To check the quality of foodgrains procured, there is a well laid down procedure of checks and super checks by FCI and State Agencies. Teams from FCI Headquarters and Ministry also conduct inspections of various mandies to ensure purchase of foodgrains as per specifications. Action is taken by the Central Government or concerned State Government on receipt of specific complaints from farmer or public representatives. During Rabi Marketing Season (RMS) 2012-13, six complaints regarding irregularities in procurement of wheat in Madhya Pradesh were received. Details of the complaint and action taken are at Annexure III.