

GOVERNMENT OF INDIA  
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

LOK SABHA  
UNSTARRED QUESTION NO. 6184  
TO BE ANSWERED ON 11<sup>TH</sup> APRIL, 2017

PROCUREMENT OF FOODGRAINS

6184. SHRI MALYADRI SRIRAM:  
DR. BHOLA SINGH:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether the Government has taken adequate measures or implemented schemes for decentralized procurement in the country, the details thereof;
- (b) whether the Government has taken adequate measures or implemented schemes for doorstep delivery of foodgrains to the TDPS outlets for ensuring supply to entitled persons, the details thereof;
- (c) the number of digitized ration cards registered in the last three years for the purpose of online foodgrains allocation and the status of online grievance redressal committee the details thereof;
- (d) the details of the measures taken for providing relief to the farmers for their crops affected with the unprecedented rains and hailstroms;
- (e) the funds allocated/utilised for centralized procurement during the last three years, State/UT-wise; and
- (f) the manner of utilization of procured foodgrains along with the proportion utilized for public distribution system?

A N S W E R

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SHRI C. R. CHAUDHARY)

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(a): Decentralized Procurement Scheme (DCP) was introduced by Government of India (GOI) in 1997-98 to increase participation of states in procurement and distribution. Under DCP system, the State Government/its agencies procure, store and distribute rice/wheat within the state under Targeted Public Distribution System (TPDS)/ National Food Security Act (NFSA) and Other Welfare Scheme (OWS). The excess stocks (Rice & wheat) procured by the State /its agencies are handed over to FCI in Central Pool. The expenditure incurred by the State Government on procurement, storage and distribution of DCP stocks are reimbursed by GOI on the laid down principles.

13 States have adopted DCP mode of procurement for Rice and 8 States adopted DCP mode for Wheat. Jharkhand (One district only) and Maharashtra have adopted DCP for rice from Kharif Marketing Season (KMS) 2016-17.

(b): Under the National Food Security Act, responsibility of the Central Government is to allocate foodgrains under Targeted Public Distribution System to States/UTs as per their entitlements and provide for its transportation to the depots designated by the Central Government in each State/UT. Thereafter, operational responsibilities for its Distribution to eligible households including delivery of foodgrains upto door-steps of fair price shops rest with the concerned State/UT Government. All the States/UTs had conformed arrangement for door-step delivery before starting implementation of NFSA.

(c): A total number of 23,19,99,907 digitized Ration cards have been issued in 36 States/UTs.

Online Allocation has been implemented in 30 States/UTs.

Online grievance redressal facility and/or Toll-free helpline numbers have been implemented in all States/UTs.

(d): Government of India follows a uniform policy for procurement of foodgrains under central pool. All the foodgrains conforming to the prescribed uniform specifications offered for sale by farmers at specified centers are bought by the public procurement agencies at the Minimum Support Price (MSP).

Sometimes due to natural calamity viz. unprecedented rains, erratic rain fall, cyclone, hailstorms and adverse climatic conditions etc., the crop is affected, thereby affecting the quality of foodgrains and thus, foodgrains brought by farmers for sale may not be conforming to the laid down norms of FAQ specifications.

As a result, relaxations in some refractions of Uniform Specifications are considered by the Government of India to mitigate the hardship of farmers and to avoid distress sale at the request of State Government/ UT administrations.

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(e): Funds allocated/ utilised to FCI for Centralized Procurement including the excess take over stock of DCP states during the last three years is as under:-

(Rupees in Crores )

YEAR	Fund allocated by GOI to FCI
2013-14	75500.02
2014-15	91995.35
2015-16	112000.00
2016-17	103334.61

(f): The procured foodgrains are distributed under Targeted Public Distribution System (TPDS)/ National Food Security Act (NFSA) and Other Welfare Scheme (OWS).

The surplus stock of wheat is also sold out of Central Pool in the open market through Open Market Sale Scheme (OMSS) (Domestic) from time to time to enhance supply and thereby moderate the open market prices.

Total distribution of wheat under TPDS/NFSA for last three years is as follows:-

(Figures in LMT)

Year	Procurement	Distribution	Percentage Distributed
2014-15	280.23	189.94	67.78
2015-16	280.88	222.53	79.23
2016-17	229.62	228.71	99.60

Total distribution of rice under TPDS/NFSA for last three years is as follows:-

(Figures in LMT as on 05/04/2017)

Year*	Procurement	Distribution	Percentage Distributed
2014-15	320.40	255.92	79.88
2015-16	342.18	273.41	79.90
2016-17	326.82	292.95	89.64

\* Procurement year is Kharif Marketing Season.

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