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

LOK SABHA
UNSTARRED QUESTION NO.2544
TO BE ANSWERED ON 7TH AUGUST, 2024

EFFICIENCY OF FCI

†2544 SHRI RAM SHIROMANI VERMA:

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

(a)   whether farmers are still selling their produce at prices less than minimum support price due to less awareness about the procurement procedure and if so, the details thereof and the steps taken to spread awareness among the farmers;

(b)   whether the Government has assessed the efficiency of Food Corporation of India (FCI) in procuring foodgrains and if so, the details and outcome thereof and the corrective steps taken in this regard; and

(c)   the steps being taken to liquidate the excess stock to facilitate fresh procurement?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION
(SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)

(a):   There exists a transparent & uniform policy for procurement of food grains by Government Agencies across the country. The Government's policy of procurement of foodgrains has broad objectives of ensuring Minimum Support Price (MSP) to the farmers and availability of foodgrains to the weaker sections at affordable prices. Under this policy, stocks conforming to the Government of India (GoI) specifications which are offered by the farmers at Purchase centers are procured by the Government Agencies at MSP. However, if the farmers get prices better than MSP in open market, they are free to sell their produce.

Government of India in consultation with Food Corporation of India (FCI) and States Governments formulates procurement plan to procure foodgrains from the farmers. The steps taken to spread awareness among farmers are:

1. MSP is announced by GoI at the beginning of the sowing season of crops based on the input costs and margin to farmers. FCI and State Government Agencies procure the foodgrains at MSP. This enables the farmers to take informed decision with regard to choice of crop to be grown.

2. MSP operations are given wide publicity through pamphlets, banners, sign boards radio, TV and advertisements through print & electronic media.

3. Farmers are made aware of the quality specifications and purchase system etc. to facilitate the farmers to bring their produce conforming to the specifications.

4. Procurement of foodgrains under MSP are now carried out in online mode through State Procurement Portals linked with Central Foodgrains Procurement Portal (CFPP). These Procurement portals provide farmers the latest/ updated information regarding MSP declared, nearest purchase center, date/ period of procurement, allotment of slots/ time to farmers against their booking for sale of produce etc. This not only has reduced the waiting period for delivery of stock by the farmers but also enables the farmer to deliver stock as per his convenience in the nearest mandi.

(b): Government of India in consultation with FCI and respective State Governments formulates procurement plan to procure food grains (wheat/paddy/coarse grains) from the farmers every year during State Food Secretaries' meeting for Kharif and Rabi crop. Procurement operations are regularly reviewed by Government of India which inter-alia includes evaluation of efficiency of FCI in procurement of grains and necessary corrective actions, whenever required, are taken.

(c): The Government of India distributes foodgrains to the beneficiaries under Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY), Other Welfare Schemes (OWS), defence, additional allocations in case of natural calamity etc.

In addition, GoI sells surplus food grains, beyond the PDS requirements, through open sale under Open Market Sales Scheme (Domestic) {OMMSS(D)}. This helps increase the availability of foodgrains in the market, control inflation, ensure food security and make foodgrains more affordable for the general population.

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