

- (a) the increase in food price indices during 2009, 2010, 2011, how these compare with food price increase at international level;
- (b) the total additional burden to consumers, due to price rise during these years;
- (c) the additional income of farmers as a result thereof; and
- (d) the amount spent by Government for providing subsidies?

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) A comparison of food price indices nationally and internationally has been made using the WPI of food articles and the Food Price Index compiled by the Food and Agriculture Organisation (FAO). The WPI for food articles which was 155.4 in 2009-10 increased to 179.6 in 2010-11 and 192.7 in 2011-12 as against the FAO Food Price Index which increased from 156.9 in 2009 to 185.3 in 2010 and 227.6 in 2011. Though a comparison shows that food price indices internationally have registered a greater increase, a strict comparison is not possible due to methodological differences such as number and varieties of food items included in the food basket, different reference periods, spatial coverage and quantity and quality of products.

(b) and (c) No clear estimates of the additional burden to consumers or the additional income that has occurred to farmers as a result of price rise are available.

(d) The food subsidy released for various welfare schemes stands at Rs. 58242.45 crore in 2009-10, Rs. 62929.56 crore in 2010-11 and Rs. 72370.90 crore in 2011-12.

Paddy procurement centres

2512. SHRI BHUBANESWAR KALITA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether it is a fact that the Food Corporation of India had set up only 13 paddy procurement centres in Assam and planning only seven more in the future;
- (b) whether it is a fact that the State has 27 districts and most of the people of the State are dependent on agriculture and paddy being the prime source; and
- (c) the details of steps taken to protect the paddy farmers' interest in terms of price fixation and procurement?

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) A total of 21 procurement Centres were operated by Food Corporation of India (FCI) during Kharif Marketing Season (KMS) 2011-12 and it has opened 14 procurement Centres during the current KMS 2012-13.

(b) Yes, Sir.

(c) Minimum Support Price (MSP) announced by the Government is applicable in all the States, including Assam. In order to extend the benefit of MSP to farmers, FCI, in consultation with the State Government operates sufficient number of purchase Centres. In case of Assam, the State Government is also getting involved in the procurement operation through Assam State Agricultural Marketing Board, who shall be operating 18 procurement Centres during KMS 2012-13. As per the existing procurement policy, all the foodgrains conforming to the prescribed specifications offered for sale at specified procurement centers are bought by the public procurement agencies at the Minimum Support Price (MSP).

In order to enhance efficiency in procurement and encourage local procurement to the maximum extent, the Government introduced Decentralised Procurement Scheme in 1997-98, and the State Government has been repeatedly requested to adopt the same. In addition, the State Government has also been requested to take the following steps to increase procurement:—

- (i) A dedicated procurement agency may be set by the State Government to strengthen procurement infrastructure in the State.
- (ii) Provision for funds to undertake procurement operations either through their own budget or through borrowings from Reserve Bank of India or consortium of Banks.
- (iii) Steps may be taken for timely payment of MSP to farmers either through account payee cheques or through direct bank transfer to farmer's account.
- (iv) Milling capacity may be increased to enable milling of paddy procured within the state.
- (v) Storage capacities may be enhanced particularly for intermediate storage of foodgrains.