

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

RAJYA SABHA
UNSTARRED QUESTION NO.2316
TO BE ANSWERED ON 17TH DECEMBER, 2021

IRREGULARITIES IN PROCUREMENT OF PADDY AND WHEAT

2316 SHRI K.C. VENUGOPAL:

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

- whether there is over 16 per cent increase in paddy procurement compared to previous season and if so, the details thereof and the reasons for this increase;
- the number of farmers benefitted from Kharif and Rabi procurement;
- whether the procurement centres set up by various procurement agencies have been proved sufficient for procurement of paddy and if so, the details thereof;
- whether Government has received complaints regarding irregularities in procurement of paddy and wheat from various States and if so, the details thereof and the reasons therefor; and
- the corrective steps taken by Government in this regard?

A N S W E R

MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SADHVI NIRANJAN JYOTI)

(a): Procurement depends not only upon production but also upon other multiple factors like marketable surplus, MSP, prevailing market rate, demand & supply situation and participation of private traders etc.

The procurement of paddy for Central Pool during KMS 2019-20 was 770.93 LMT which reached to 894.18 LMT in KMS 2020-21, an increase of around 16%.

(b): The number of farmers benefitted from paddy procurement during KMS 2019-20 and KMS 2020-21 is as under:

KMS	Number of farmers benefitted		
	Kharif	Rabi	Total
2019-20	1,03,75,148	20,84,206	1,24,59,354
2020-21	1,06,09,392	25,02,890	1,31,12,282

.....2/-

(c): Procurement centres are opened by respective State Government Agencies/ Food Corporation of India, taking into account the production, marketable surplus, convenience of farmers and availability of other logistics / infrastructure such as storage and transportation, etc. Large number of temporary purchase centres, in addition to the existing Mandis and depots/godowns are also established at key points for the convenience of farmers. Review is made from time to time on the need for additional procurement centres, if any, during the procurement season and required additional procurement centres are also opened.

The number of procurement centres set up by various procurement agencies during KMS 2019-20 and KMS 2020-21 for procurement of paddy are as under:

KMS	FCI	State Government /Agencies	Total
2019-20	456	66,716	67,172
2020-21	400	74,284	74,684

(d): During 2020-21, 6 complaints regarding paddy procurement operations and 3 complaints regarding wheat procurement operations were received. The major issue for such complaints was aberrations in procurement operations.

(e): The complaints related to paddy and wheat procurement are investigated and action taken in accordance with prescribed procedure in this regard. Further, the following initiatives/ measures have been taken by the Government in streamlining the Procurement Operations:

i) Direct Benefit Transfer (DBT) of MSP has been implemented across the country. This has brought in responsibility, transparency, real time monitoring and reduces pilferage in the system. DBT eliminates purchase from fictitious bogus farmers, reduces diversion and duplication of payment as payment is made directly to farmer's bank account which in many States is linked with Aadhaar number of the farmers.

ii) FCI and most of the State Governments have developed their own online procurement system which ushers in transparency and convenience to the farmers through proper registration and monitoring of actual procurement. The online procurement system has largely eliminated the procurement from middlemen and has resulted in better targeting of the MSP to farmers.

.....3/-

(iii) The State agencies are also using Expenditure Advance Transfer module (EAT) of Public Financial Module System (PFMS) while making payment, as mandated by the Ministry of Finance, GOI by integrating their online payment system with PFMS to maintain financial integrity.

iv) Minimum Support Price (MSP) operations are given wide publicity through pamphlets, banners, sign boards, radio, TV and advertisements through print & electronic media.

v) Farmers are made aware of the quality specifications and purchase system, etc. to facilitate bringing their produce conforming to the specifications.
