

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

UNSTARRED QUESTION NO:1671  
ANSWERED ON:05.12.2005  
DECENTRALISED PROCUREMENT  
Manoj Kumar Shri

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

- (a) whether the decentralization of procurement system will reduce the cost of handling and carriage;
- (b) if so, the extent to which savings are likely to accrue therefrom; and
- (c) the likely impact of this policy on Food Corporation of India ?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION ( DR. AKHILESH PRASAD SINGH )

(a): Yes, Sir.

(b): This is expected to result in savings of around Rs. 40 to Rs. 100 per quintal in transportation and handling charges depending on the location of the State undertaking Decentralised Procurement.

(c): The Food Corporation of India (FCI) will continue to play a major role in the implementation of the food policy of the Government of India with regard to procurement, storage and distribution of foodgrains.