

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

UNSTARRED QUESTION NO:119
ANSWERED ON:26.02.2007
FOODGRAIN PROCUREMENT
Tripathy Shri Braja Kishore

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

- (a) whether the Government proposes to procure the entire quantity of surplus foodgrains, particularly wheat, from the farmers;
- (b) if so, the details thereof;
- (c) if not, whether the Government has formulated any scheme for procurement of wheat upto a stipulated target from each State; and
- (d) if so, the details thereof and the steps taken thereon?

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), (b), (c) & (d): As per the existing foodgrains procurement policy of the Government, Minimum Support Price (MSP) operations are carried out by the Government agencies [Food Corporation of India(FCI) and State agencies] in districts all over the country where there is marketable surplus of foodgrains. Farmers have the option to sell their produce at MSP or in the open market, as is advantageous to them. Therefore, the quantum of procurement by Government agencies depends on several factors such as production, market arrivals, open market prices, extent of private participation etc. Hence no targets are fixed for procurement by Government agencies.

In order to ensure adequate procurement of wheat in Rabi Marketing Season (RMS) 2007-08, the Minimum Support Price announced is Rs. 750 per quintal which is Rs. 100 per quintal more than Rs. 650 per quintal announced for RMS 2006-07. During a meeting held on 12.2.2007, Food Secretaries of wheat producing states as well as FCI have confirmed that all arrangements to ensure adequate procurement of wheat have been made for the ensuing RMS 2007-08. During the meeting FCI and State Governments have been asked to open sufficient number of procurement centres to maximize procurement.