

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

STARRED QUESTION NO:396
ANSWERED ON:23.03.2001
EXPORT OF WHEAT
NAWAL KISHORE RAI;SUSHIL KUMAR INDORA

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

- (a) whether the Government have taken a decision to export wheat and rice at a lesser rate than their economic cost;
- (b) if so, the quantum of wheat and rice agreed to be exported during the current year till February, 2001;
- (c) the rates at which the wheat and rice are to be exported as per the agreement, quantum-wise; and
- (d) the total amount of financial loss likely to be suffered due to the said export?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI CHAUHAN)

(a),(b),(c) & (d) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a), (b), (c) & (d) OF STARRED QUESTION NO.396 ANSWER IN THE LOK SABHA ON 23.03.2001.

(a),(b) & (c) : In November 2000, Government had decided to export 20 lakh M.Ts. of wheat, to begin with, during the current financial year. Subsequently, in December 2000, Government decided to export 20 lakh M.Ts. of rice also upto 31.3.2001.

The Food Corporation of India (FCI) is making available wheat for the purpose of export @ Rs.4150/- per M.T. The rate at which rice is being offered by the FCI for the purpose of export is Rs.6750/- per M.T.

(d) There is a difference between the Economic Cost and the Issue Price for export. However, in view of the fact that the stocks available in the Central Pool are far in excess of the buffer norms, and that the Rabi procurement in the current year may exceed last year's record procurement of wheat, this loss would be considerably offset by savings in the carrying cost of wheat and rice in the years to come.