

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

UNSTARRED QUESTION NO:384

ANSWERED ON:20.10.2008

PROCUREMENT OF WHEAT FROM STATES

Majhi Shri Parsuram;Pallani Shamy Shri K.C .;Paraste Shri Dalpat Singh;Patel Shri Kishanbhai Vestabhai;Sai Shri Nand Kumar

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

- (a) the details of the measures taken by the Government during the Rabi Marketing Season of the current year to increase procurement of wheat in various major wheat producing States;
- (b) the extent to which the procurement of wheat has increased as compared to corresponding period of the previous year alongwith the opening and closing stock during the said period and steps taken to store the excess wheat properly;
- (c) whether the Government has also allowed National Agricultural Cooperative Marketing Federation (NAFED) to procure wheat for the Central Pool; and
- (d) if so, the quantity of wheat procured by NAFED during the current season?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SH. KANTILAL BHURIA)

- (a): The steps taken by the Department during Rabi Marketing Season (RMS) 2008-09 to increase procurement of wheat are at Annexure.
- (b): 226.82 lakh MT of wheat has been procured by FCI/State agencies for the Central Pool in RMS 2008-09 as compared to 111.3 lakh MT procured in RMS 2007-08. The stocks of wheat in the Central Pool as on 1st April, 2008 were 58.03 lakh tones as compared to 47.03 lakh tonnes as on 1st April, 2007. Wheat procured for the Central Pool has been kept in covered or Covered at Plinth godowns to ensure its proper storage.
- (c)&(d): Yes, Sir. NAFED has procured 5.27 lakh tonnes of wheat during RMS 2008-09 from various states for the Central Pool.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE UNSTARRED QUESTION NO. 384 DUE FOR ANSWER ON 20.10.2008 IN THE LOK SABHA.

Measures taken by the Government during RMS 2008-09 to increase procurement of wheat

- (i) The MSP for wheat has been fixed at Rs. 1000 per quintal for RMS 2008-09, an increase of Rs.250 per quintal over the MSP fixed for RMS 2007-08, in order to encourage farmers to increase their production of wheat. This MSP is Rs.150 per quintal more than the procurement price of Rs.850 per quintal (including bonus of Rs.100 per quintal) given to farmers last year.
- (ii) Import of 18 lakh tonnes of wheat was done in RMS 2007-08 which improved the stock position of wheat in the Central Pool and the wheat stocks (as on 1.4.2008) was more than the buffer norms of 40 lakh tonnes at the start of RMS 2008-09.
- (iii) Wheat exports on private account have been banned till further orders. Wheat exports from Central Pool are also banned.
- (iv) A notification titled `Wheat (Stock Declaration by Companies or Firms or Individuals) Order 2008 has been issued under the Essential Commodities Act 1955 on 11.2.2008. The order provides that any Company or Firm or individual which purchases wheat beyond 10,000 tonnes during 2008-09 shall furnish return to Secretary, Food of the State from where maximum quantity has been purchased. While a return for purchase of wheat beyond 25,000 tonnes is required to be furnished to the Central Government.
- (v) Department of Consumer Affairs has extended upto 31st August, 2008 notification under the EC Act enabling State Governments to impose stock limit on wheat.
- (vi) Import of wheat on private account at zero duty has been permitted till further orders.
- (vii) Senior Officers of Department of Food and Public Distribution and FCI frequently visited wheat procuring States to personally

assess the situation.

(viii) In order to encourage wheat procurement in States like U.P., Madhya Pradesh etc Commission to Societies/sub-agents had been enhanced to 2.5% on the lines of the Arthiya Commission in Punjab and Haryana.

(ix) NAFED was engaged to procure wheat on behalf of FCI in States of U.P., Bihar, Gujarat and Madhya Pradesh.