

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

UNSTARRED QUESTION NO:1233
ANSWERED ON:27.10.2008
PROCUREMENT POLICY OF FOODGRAINS
Thakur Shri Anurag Singh

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

- (a) whether the policy of export of foodgrains on cheaper rates and import on higher rates and permission to private companies for procurement of foodgrains have been major causes of the recent food crisis in the country;
- (b) if so, whether the Government proposes to change the existing procurement policy to check recurrence of similar crisis;and
- (c) if so, the details thereof and the time by which it is likely to be implemented?

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): No,Sir.In order to increase the domestic availability of food grains,the export of wheat was banned on 9.2.2007.The export of non-basmati rice was also banned from 1.4.2008.However,the import of wheat and rice at zero duty was allowed to increase the availability in domestic market so as to maintain the price level of wheat and rice.

(b) & (c): As per the existing policy,the Central Government extends price support to paddy and wheat through the Government agencies (Food Corporation of India(FCI) and State Agencies).All foodgrains conforming to the prescribed specifications offered for sale at specified centres is bought by the procuring agencies.The farmers have the option to sell their paddy/wheat either to FCI/State Agencies at Minimum Support Price,or to the private parties,as is advantageous to them. Foodgrains procured by the FCI/State Governments and their agencies are distributed through State Governments under Targetted Public Distribution System (TPDS) and other Welfare Schemes.No change in the policy of procurement of food grains is envisaged at present.