

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

UNSTARRED QUESTION NO:3367

ANSWERED ON:22.12.2008

HOARDING OF FOODGRAINS

Bhagora Shri Mahavir;Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita;Vijay Krishna Shri ;Yaskhi Shri Madhu Goud

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

(a) whether low Minimum Support Price and rising prices of foodgrains has led to hoarding and profiteering by the companies trading in foodgrains while the farmers and consumers continue to suffer as reported by the International Agency Oxam;

(b) if so, the details thereof indicating the salient features of the said report; and

(c) the details of remedial measures being taken by the Government in this regard?

Answer

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

(a): Higher Minimum Support Price (MSP) have been announced by Government in successive years. Details are given in Annexure. Government is not aware of a report of International Agency Oxam .

(b): Does not arise.

(c) : Government is aware of increase in prices of food items and has taken a number of steps to control the price rise and to soften the impact of price rise on consumers. Government has taken the following specific measures to protect the vulnerable sections of society.

(i) Government has protected poor sections of society through Targeted Public Distribution System (TPDS) and Antodaya Anna Yojna (AAY). Under the TPDS, wheat, rice, sugar and kerosene oils are allocated to State Governments for distribution through the Fair Price Shops. The off take of wheat and rice under Targeted Public Distribution System (TPDS) and other welfare schemes (OWS) has, however, been going up. For TPDS, wheat and rice off take have gone up from 242 lakh tonnes in 2003-04 to 316 lakh tonnes in 2006-07 and 335.27 lakh tonnes in 2007-08. During the period April-September 2008, 167.38 lakh tonnes wheat and rice has been allocated under TPDS. The Central Issue Price for rice and wheat has not been revised since 1.7.2002. For wheat it remains at Rs 4.15 per kg for BPL and Rs 2 per kg for AAY. For rice, it is Rs 5.65 per kg for BPL and Rs 3 per kg for AAY.

(ii) Government launched a scheme on 28.07.2008 to distribute one million tons of edible oils to States/UTs at a subsidy @ Rs.15/kg. Orders were placed for import of 3.60 lakh tons of edible oils. Of this, about 3.34 lakh tons of edible oil has landed; and about 1.82 lakh tons have so far been distributed to various States/UTs by Central PSUs for distribution to ration card holders @ 1 kg per ration card per month.

(iii) Government has recently introduced a scheme under which the Public Sector Agencies like National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED), MMTTC, PEC Ltd and State Trading Corporation (STC) can import pulses and sell the same at a subsidy of Rs.10/- per kg to the State Governments for distribution of pulses through Public Distribution System (PDS). It will be the responsibility of the State Government to ensure that pulses imported under the scheme are lifted and the targeted consumers get it. The scheme, therefore, aims at augmenting availability of pulses within the country through imports specifically for supplying to the poorer sections through PDS at a subsidized price.