

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

UNSTARRED QUESTION NO:4079

ANSWERED ON:20.04.2010

PRICE OF FLOUR

Rawat Shri Ashok Kumar;Sugavanam Shri E.G.

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

- (a) whether the price of wheat flour has risen manifold recently;
- (b) if so, the details thereof and the reasons therefor alongwith the steps taken to boost production of wheat and flour;
- (c) whether the Government is aware that the flour mills industry has been responsible to manipulate and push up the price of flour in the market;
- (d) if so, the details thereof; and
- (e) the action taken/proposed to be taken by the Government to rein in such flour mills and to check the rise in price of flour?

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 (PROF. K. V. THOMAS)

(a): No Madam.

(b): Does not arise.

(c) to (e): To check rise in price of wheat flour Government of India has permitted to convert wheat released under OMSS(D) into wheat flour. Government has released 20 lakh MTs wheat to States/UT Governments under OMSS (D) for distribution to household consumers during the period October`2009 - March 2010. In addition to above, 10 lakh MTs wheat has also been allocated for sale to bulk consumers in various States/UTs through open tenders by FCI during the period October` 2009 to March,2010. The wheat released for sale to bulk consumer is utilized by the flour mills.

Allocation of 5 Lakh MT wheat for tender sale to small processors has also been made to State Governments. 10.8 Lakh MTs wheat has been allocated for tender sale by FCI to bulk consumer out of expected savings from the allocation of 20 lakh tons to states for retail consumers referred above.

In addition to this a quantity of 37400 MT wheat (out of expected savings from the unlifted quantity of 10 lakh tones of wheat allocated to State Government for distribution to retail consumers) under OMSS (D) has been allocated to NAFED for sale to retail consumers for the month of January 2010 to March 2010. A quantity of 32684.21 tonnes of wheat (out of expected savings from the unlifted quantity of 10 lakh tones of wheat allocated to State Government for distribution to retail consumers) under OMSS (D) have also been allocated to NCCF for the month of January 2010 to March 2010. NCCF and NAFED have also been permitted to convert the wheat into wheat flour.

State Governments have an important role in checking the rise in the prices of essential commodities through a set of administrative and regulatory measures. State Government of Delhi intervened directly in partnership with Delhi Grain Merchants Association, by supplying atta at lower rates through various outlets, which had the necessary effect of bringing various wholesalers and retailers to toe the line and reduce their prices.