

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:519
ANSWERED ON:13.08.2012
IRREGULARITIES IN TRADE OF FOODGRAINS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether certain instances of irregularities have been reported in the export and import of foodgrains including pulses;
- (b) if so, the nature of such irregularities reported during the last three years along with the total loss of revenue as a result of such irregularities, year-wise;
- (c) whether some importers have allegedly delayed the lifting of the imported pulses from the docks, speculating rise in the prices of pulses in the domestic markets;
- (d) if so, the details thereof and the action taken against such importers; and
- (e) the steps taken by the Government to ensure better mechanism for monitoring such irregularities and complaints and to take appropriate and corrective measures in the matter promptly?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) No irregularities have been reported in the export and import of foodgrains during the last three years. However, C&AG in its Performance report on Sale and Distribution of Pulses has made certain observations on import of pulses on Government account by PSUs.

(b) PSUs under Department of Commerce and NAFED undertook import of pulses on Government account (under a scheme for reimbursement of losses upto 15% which has been discontinued w.e.f. 31.3.2011) to bridge the gap between demand and production of pulses in the country and to exercise a moderating influence of prices. However, losses went beyond 15% due to factors beyond the control of importing agencies which included increase in the international prices of pulses, depreciation of India rupee, exchange rate fluctuations, lower sales realisation as compared to the landed cost of pulses, the global meltdown, etc. The losses suffered during 2008-09 to 2010-11 are as under:-

2008-09	2009-10	2010-11	TOTAL
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PEC	2403509715	1638009125	369559321	4411076161
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MMTC	97321394	1288550213	572904461	1958776068
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STC	168783757	1869274678	731493335	2769551770
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NAFED	436383165	1728490581	59928063	2224801809
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(c) to (e) Certain delays were due to clearance delays at port, local holidays/strikes by transport authorities, and difficulty in locating warehouses at major ports. The local Plant Quarantine Authorities also delayed clearances. These delays/irregularities were beyond the control of importing agencies. While Government has been monitoring import of pulses on regular basis, the scheme was brought to a close w.e.f. 31.3.2011.

