

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

UNSTARRED QUESTION NO:2693
ANSWERED ON:28.08.2012
DISTRIBUTION OF SURPLUS FOODGRAINS
Sugumar Shri K.

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

- (a) whether nearly 25 lac tonnes of foodgrains provided to the private traders at subsidised rates, out of the total 5 crore tonnes of surplus stocks, have already been exported by them;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether there is a strong demand to distribute these surplus foodgrains in the country itself universally; and
- (d) if so, the details thereof and the reaction of the Government thereto?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a)&(b): At present export of wheat is allowed under Open General License (OGL). From 9/9/2011 to 7/8/2012, a total of 15.09 lakh tonnes of wheat has been exported from the country on private account. In addition, Government has also allowed export of 20 lakh tonnes wheat from Central Pool. The Government releases wheat for bulk sale under Open Market Sale Scheme (OMSS) with an objective to offload part of surplus stocks in the Central Pool and to make available wheat in the open market to stabilize wheat prices particularly during lean season. Accordingly, the Government decided to sell 3 million tonnes of wheat to Bulk Users/ Roller Flour Millers/ Traders through open tenders by Food Corporation of India upto March, 2013 for domestic consumption under the Scheme. No such report regarding export of wheat out of wheat allocated under OMSS has been received by the Government.

(c)&(d): Requests have been received by Government for Universal Public Distribution System. However, Government is not considering to introduce Universal PDS as the focus on poor will get diluted. It would require procurement of huge quantities of wheat and rice which would result in less availability of foodgrains in the market, leading to rise in open market prices. If the same quantity of foodgrains is distributed equally among all, then the scale of issue will have to be reduced. Further, in order to manage the level of the food subsidy, the issue prices of rice and wheat may have to be increased substantially from the present Central Issue Prices (CIPs) which have not been revised for the Below Poverty Line (BPL)/ Antyodaya Anna Yojana (AAY) families since 2000 and for Above Poverty Line (APL) families since 2002. However in view of demand received from the States / UTs and availability of surplus stocks in the Central Pool, Government has been making additional allocations from time to time. During current year, additional allocation of 60 lakh tonnes of foodgrains at APL CIP, 50 lakh tonnes of foodgrains at BPL CIP and 17.66 lakh tonnes of foodgrains at BPL / AAY CIP for the poorest districts has been made by Government to States/ UTs.