

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

UNSTARRED QUESTION NO:733
ANSWERED ON:27.11.2012
UNIFORM PRICES FOR WHEAT
Dhruvanarayana Shri R. ;Ponnam Shri Prabhakar

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

(a) whether the flour millers have been demanding uniform prices for wheat being supplied under Open Market Sale Scheme (OMSS); and

(b) if so, the details thereof and the reaction of the Government thereto?

Answer

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

(a)&(b): Requests from some flour millers / Flour Mill Associations for uniform prices for wheat under Open Market Sale Scheme (OMSS) were received. Reserve price for tender sale of wheat and price for sale of wheat to small/private traders in surplus states i.e. Punjab, Haryana, Uttar Pradesh and Madhya Pradesh is fixed at MSP of wheat for RMS 2012-13 (Rs.1285/- per quintal) plus State wise Statutory charges and levies as applicable on procurement. For other consuming States/UTs except Chandigarh, reserve price for tender sale of wheat and price for sale of wheat to small/private traders is fixed at MSP of wheat for RMS 2012-13 (Rs.1285/- per quintal) plus Statutory charges and levies as applicable on procurement in Punjab plus freight from Ludhiana to concerned State/UT Capital. For Chandigarh, the reserve price is same as reserve price fixed for Punjab.

The reserve prices so fixed under OMSS are less than economic cost and Government is still incurring subsidy in allocating wheat under OMSS even after adding statutory charges and freight to MSP of wheat to fix the reserve price.