

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

STARRED QUESTION NO:258
ANSWERED ON:11.12.2012
SALE OF WHEAT THROUGH SPOT EXCHANGES
Kalmadi Shri Suresh

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

- (a) whether the Food Corporation of India plans to sell wheat through Spot Exchanges;
- (b) if so, the details and the current status thereof indicating the names of the States where Spot Exchanges have been set up or are proposed to be set up for the purpose; and
- (c) the extent to which this system is likely to make the procurement process more efficient and cost effective for the benefit of consumers?

Answer

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

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF THE STARRED QUESTION NO. 258 DUE FOR ANSWER ON 11.12.2012 IN THE LOK SABHA

(a): Yes, Madam. Food Corporation of India(FCI) has been authorized to sell wheat to bulk consumers/ private traders through spot exchange under Open Market Sale Scheme(OMSS).

(b): At present FCI is selling wheat to bulk consumers/private traders under OMSS through manual tender system. However, FCI has been directed to undertake such sale through spot exchanges in place of manual tender system. FCI is not planning to set up exchanges themselves, instead services of already existing exchanges are proposed to be used for this purpose. FCI is in the process of selection of spot exchanges to undertake such sale.

(c): Sale of wheat through spot exchange under OMSS and procurement process of foodgrains for the central pool are unrelated, therefore the question of effect does not arise.