

- (a) what is the quantity of wheat procured by FCI in Punjab and Haryana this summer;
- (b) whether it is a fact that FCI has started moving out fresh stocks of wheat to consuming States ignoring "first in, first out" norm;
- (c) if so, what are the reasons therefor; and
- (d) what is the quantity of old stocks of wheat still lying with FCI?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) In Punjab and Haryana, 107.19 lakh tonnes and 69.12 lakh tonnes of wheat was procured by Food Corporation of India (FCI) and State Agencies respectively during Rabi Marketing Season 2009.10.

(b) and (c) Yes, Sir. A quantity of 4.05 lakh MT wheat was moved by FCI from Punjab during RMS 2009-10 directly from the mandies in order to clear glut in the mandies. FCI, thus, saved an amount of approximately Rs. 5 crores by avoiding double handling. This movement was also necessitated due to acute shortage of space, otherwise the stocks would have been stored in unscientific storage spaces. Further, a quantity of 1.17 lakh MTs wheat was moved out from covered spaces for creating space for receiving rice in KMS 2009-10. Similarly, during the peak purchase period (1.4.2009 to 10.5.2009), some fresh stocks from mandies were dispatched from Haryana in order to evacuate stocks from mandies due heavy arrivals.

(d) The old wheat stocks held by FCI in Haryana and Punjab as on 30.06.2009 is as below:

(in LMTs)

| Year    | Haryana | Punjab |
|---------|---------|--------|
| 2007-08 | 0.26    | 0.09   |
| 2008-09 | 4.95    | 2.38   |

**Stock of wheat and rice**

3708. SHRIMATI BRINDA KARAT: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) the available stock of wheat and rice in the country at present;
- (b) the quantity of stock considered to be good enough from the food security point of view;
- (c) the plan of action to achieve the same; and
- (d) if surplus, what Government intends to do with surplus stock?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) The stock position of foodgrains in the Central Pool as on 01.07.2009 was 329.22 lakh tons of wheat and 196.16 lakh tons of rice.

(b) to (d) Annual requirement of foodgrains as per existing level of allocations for TPDS, Other Welfare Schemes, calamity relief, etc. is about 52 million tons. In addition, required minimum reserves are also to be maintained as per norms. Stocks of foodgrains in the Central Pool are formed by the quantities of rice, wheat and coarse grains procured during the Kharif and Rabi procurement years. Allocation of foodgrains under TPDS are made for every month. Inflow and outflow of stocks in the Central Pool is a continuous process all over the year. Government is carrying out procurement of rice, wheat and coarse grains for the Central Pool under MSP based operations during relevant marketing seasons. As stated above, allocations have been issued under Targeted Public Distribution System, Other Welfare Schemes, for calamity relief, etc.

#### **Price rise of essential commodities**

3709. MS. MABEL REBELLO:

DR. T. SUBBARAMI REDDY:

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

(a) whether Government has accepted rise in prices of essential commodities, according to data by Ministry of Finance which shows that prices of cereals, pulses and vegetables have gone up by more than 12 per cent to 20 per cent in the last one year ;

(b) whether according to data while overall inflation rate has been consistently coming down since November, 2008 and is currently in negative domain, prices of essential commodities are rising sharply; and

(c) if so, what are main reasons for rise of prices especially cereals and pulses and what steps Government has taken or proposed to take to check rise of prices of essential commodities ?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) Government is aware of the rise in prices of essential commodities such as Sugar, Pulses and potato.

(b) The overall WPI inflation as on 18.7.2009 was (-) 1.54% (provisional) and the Food Article inflation was reported at 9.19% (provisional).

(c) Rise in domestic prices is owing to the combined effect of different factors such as, growing demand on account of increase in population and income, hardening of international prices, changes in consumption pattern, diversion of food grains for fuel, adverse weather and climate change, increase in crude oil prices, hikes in MSP, improvement in income and living standards, increase in freight rates. Delayed Monsoon, hike to petrol and diesel prices on 1st July, 2009, increase in demand owing to rise in prices of pulses as well as seasonal factors have contributed to increase in prices of vegetables.