

The Central Issue Price for rice and wheat has not been revised since 2002. For wheat it remains at Rs. 4.15 per kg for BPL and Rs. 2 per kg for AAY. For rice, it is Rs. 5.65 per kg for BPL and Rs. 3 per kg for AAY.

(b) Does not arise.

(c) Prices are determined by the market forces of demand and supply side factors. Availability of items such as pulses, sugar and edible oils is being enhanced in the short term by encouraging their imports. In the medium and long term focus is on agricultural growth.

Introduction of universalized PDS system

1737. SHRI MATILAL SARKAR: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that universalized PDS was in vogue previously;

(b) if so, the reasons for its withdrawal;

(c) whether the universalized PDS will again come into force;

(d) if so, by when; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS) : (a) and (b) Prior to June 1997, Public Distribution System (PDS) was a general entitlement Scheme for all consumers without any specific target. With a view to streamline the PDS as well as to improve its reach in the hilly, tribal, inaccessible and priority areas, a variant of PDS called Revamped Public Distribution System (RPDS) was also under implementation from June, 1992, in 1775 blocks.

With a view to specifically target poor sections of society for distribution of subsidized foodgrains (rice, wheat and coarse grains) and sugar, Targeted Public Distribution System (TPDS) was launched in June, 1997.

(c) and (d) No, Sir. There is no proposal before Government to make TPDS universal in coverage.

(e) If the universal PDS as it existed prior to 1997 is to be restored, then even if allocations are made for 18.04 crore households (this number of households was as per estimated population by Registrar General of India as on 1st March, 2000), the total annual requirement of rice and wheat at the scale of 35 kg. per household per month would be 76 million tons. Further, if the total ration cards issued by the State and UT Governments up to 31.10.2009 are considered, this number is 24.23 crores. At the scale of 35 kg. foodgrains per household per month, the actual requirement of these households would be around 102 million tons of wheat and rice per annum.

Procurement of such huge quantities of wheat and rice would necessitate a total ban on private trade in the country and operation of only Government procurement system. Since procurement of rice and wheat cannot be organized at such a level, their imports will become necessary. Also the scale of issue will accordingly have to be reduced.

Further, in order to manage the level of food subsidy, the issue prices of rice and wheat will have to be increased substantially from the present Central Issue Prices (CIPs) which have not been revised during the last seven to nine years. This would also mean that BPL and AAY families would end up not only getting much reduced scale of issue but also have to pay higher CIPs.

Pending sugarcane dues of farmers in Uttar Pradesh

1738. SHRIMATI JAYA BACHCHAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) the current position in respect of amount of sugarcane arrears mill owners owe to the farmers in Uttar Pradesh;
- (b) whether the arrears have declined in the last one year or so;
- (c) if so, the reasons therefor;
- (d) whether the sugarcane arrears is one deterrent factor which discourages farmers from cultivation of sugarcane;
- (e) whether Government proposes to intervene with a view to compel mill owners to clear the arrears within a time bound framework; and
- (f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS) : (a) The status of cane price arrears payable, as on 31.10.2009, by the sugar mill owners to the sugarcane farmers was as under :

| Sugar season | Cane price arrears (Rs. in Crore) |
|---------------------|-----------------------------------|
| 2008-09 | 2.69 |
| 2007-08 | 10.52 |
| 2006-07 and earlier | 70.12 |
| TOTAL | 83.33 |

(b) and (c) The cane price arrears for the sugar season 2007-08 have declined from Rs.144.58 Crores as on 31.10.2008 to Rs.10.52 Crores as on 31.10.2009. Similarly the cane price arrears for the sugar season 2006-07 and earlier have also declined from Rs.138.46 Crores as on 31.10.2008 to Rs.70.12 Crores as on 31.10.2009. The higher domestic prices of sugar in 2008-09 season have improved the financial capacity of sugar mills enabling them to clear the outstanding cane price arrears.