

Procurement of wheat *vis-a-vis* its MSP

344. SHRI T.M. SELVAGANAPATHI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the hike in MSP for wheat would increase the procurement cost of the grain and food subsidy bill by an additional Rs.4,000 crore to Rs.5,000 crore;

(b) if so, the details thereof;

(c) whether Government is considering to curtail the procurement of wheat in the event the MSP on wheat is hiked; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) and (b) Cost of procurement of foodgrains includes Minimum Support Price (MSP), State-specific taxes as applicable/statutory levies and other procurement incidentals. Any increase in MSP, therefore, adds to the procurement cost and consequently the food subsidy bill. The total impact on food subsidy will depend upon the extent of increase in MSP and other associated costs of procurement.

(d) No, Sir.

(d) Does not arise in view of (c) above.

Paddy procurement

345. DR. K.P. RAMALINGAM: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that FCI's paddy procurement has reached around five lakh tonnes during the first week of October;

(b) if so, the details thereof;

(c) whether it is also a fact that Government has set a target of procuring 40 million tonnes of the staple in 2012-13 marketing season; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) The procurement of paddy by Government Agencies, including Food Corporation of India, had reached 8.72 lakh tons during the first week of October, 2012.