THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI C. R. CHAUDHARY): (a) No, Sir. There is a Uniform Policy for procurement by Government Agencies across the country. Under this policy, whatever food grains are offered by farmers, within the stipulated period and conforming to the specifications prescribed by Government of India (GOI) are purchased at Minimum Support Price (MSP) by the Government agencies including Food Corporation of India (FCI) for Central Pool. However, if producer/farmer gets better price in comparison to MSP, they are free to sell their produce in open market *i.e.* to private trader/ anyone.

(b) During the Kharif and current Rabi seasons the procurement of pulses from the farmers is being done by Government Agencies at market rates which are much above the MSP rates announced by the GOI.

Government of India has included FCI as a Central Nodal Agency along with National Agricultural Cooperative Marketing Federation (NAFED) and Small Farmers Agri-business Consortium (SFAC) for procurement of pulses and oilseeds. GOI has set a target of procuring 50,000 ton of pulses from Kharif crop 2015-16 and 1,00,000 ton pulses of Rabi crop in RMS 2016-17.

To meet this objective FCI, NAFED, SFAC were mandated by GOI to procure pulses at market price and maintain buffer stock under Price Stabilization Fund (PSF) scheme.

Lower sugar production in 2016-17 season

1407. SHRI MOHD. ALI KHAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government has imposed 20 per cent duty on export of raw sugar-white or refined sugar, if so, details thereof;

(b) whether sugar export was just becoming viable with recent spurt in global prices but 20 per cent export duty will make that unviable, if so, details thereof;

(c) whether Government wants to conserve sugar domestically in view of expected fall in its production in 2016-17 sugar season, if so, details thereof; and

(d) whether country's export had started falling due to strengthening of local prices on expectations of lower output in coming season, if so, details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI C. R. CHAUDHARY): (a) Yes, Sir. The Government has imposed customs duty @ 20% on export of raw, white and refined sugar *vide* Department of Revenue Notification No. 37/2016-customs dated 16.06.2016.

(b) Currently, global sugar price is hovering around 535 USD per MT which translates to about ₹ 34000 per MT at factory gate as against domestic ex-mill price of ₹ 34000 per MT in the coastal States. On imposition of 20% customs duty, export of sugar will be costlier by about more than ₹ 6500 per MT making it commercially unviable.

(c) Yes, Sir. In anticipation of expected fall in sugar production during 2016-17 sugar season, Government imposed customs duty to discourage export and conserve stocks of sugar in the country.

(d) Yes, Sir. Due to strengthening of ex-mill prices of sugar in the range of ₹ 3350-3450 per quintal in coastal States and imposition of 20% customs duty, there has been hardly any exports of sugar.

Setting up of food godowns and storage units

1408. DR. V. MAITREYAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government is providing financial, technological and logistic support for setting up of food godowns and storage units, if so, the details thereof;

(b) the funds allocated, disbursed and utilised for setting up of such food godowns and storage units in the last five years, year-wise and State-wise; and

(c) the various methods adopted by the centre to procure, protect and distribute food products and other essential commodities through public distribution?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI C. R. CHAUDHARY): (a) Under the Private Entrepreneur Guarantee (PEG) scheme, godowns are constructed through private investors, CWC, SWCs which are hired by Food Corporation of India (FCI) for a guaranteed period of 10 years. A capacity of 134.83 Lakh MT (LMT) has already been constructed under this scheme.

A Viability Gap Funding (VGF) model under PPP mode is also being used for construction of steel silos on FCI land. Under this model, there is a provision for providing 20% of the project cost as Viability Gap Funding by the Ministry of Finance, GOI. The party which quotes minimum amount of grant (VGF) or offers highest premium to FCI in their bid is selected for undertaking the project.

Under Plan scheme, funds are being provided to FCI and State Governments for construction of godowns, specifically in the North Eastern Region and a few other States, where PPP mode was not found to be practical. As on 30th June, 2016, a total capacity of 1.14 Lakh MT in North East and 0.20 Lakh MT in other than North East has been completed.

(b) No VGF has been provided as yet under Silo project of FCI.