

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

STARRED QUESTION NO:92  
ANSWERED ON:25.07.2003  
SALE OF WHEAT RICE BY FCI  
RAJO SINGH

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

- (a) the quantity of wheat and rice sold by the Food Corporation of India in the open market during the last three years and 2003 till date;
- (b) whether the Government have made any assessment in regard to the factors influencing the operation cost of foodgrains during the last three years
- (c) if so, the details thereof; and
- (d) the cost at which wheat and rice were sold in the open market and the cost at which the same was exported alongwith the subsidy given by the Government in this respect?

**Answer**

MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION ( SHRI SHARAD YADAV )

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF STARRED QUESTION NO.92 DUE FOR ANSWER ON 22.07.2003 IN THE LOK SABHA.

(a): The quantity of wheat and rice sold by the Food Corporation of India (FCI) in the open market during the last three years is as under:-

(Qty. in lakh tonnes)

Year    Wheat    Rice

2000-01	11.01	3.86
2001-02	51.97	4.01
2002-03	52.34	3.87
2003-04		

(Upto June 2003) 1.60 2.55

(b): Yes, Sir.

(c): The increase in the economic cost of wheat and rice is on account of increase in the procurement cost and incidentals, labour and transport charges, storage and interest charges and administrative charges of State Agencies. However, the distribution cost in respect of both wheat and rice has come down in 2002-03 in relation to the distribution cost in 2000-01.

(d): The open market sale prices of wheat ex-Punjab in the last three years, have been in the range, as shown below:-

(figures in Rs. per quintal)

2000-01	2001-02	2002-03
650-900	615-655	615-700

The prices of wheat sold in other States were higher, as they include an element of freight.

Rice was largely sold through tenders at prices decided on the basis of the rates obtained in the tenders. The prices of wheat and rice offered to exporters are the same as the Open Market Sale Scheme (Domestic) prices, except that post delivery and other WTO compatible expenses are allowed to the exporters. These expenses are reviewed and fixed on a quarterly basis on the recommendations of an Inter-Ministerial Committee, viz. the High Level Committee of the FC which takes into account all relevant factors.

The amount of subsidy released to the FCI during the last three years under OMSS(D) and Exports is as under:-

(in Rs. crore)

	OMSS (D)		Exports	
	Wheat	Rice	Wheat	Rice
2000-01	74.0	46.55	1213.0	
2001-02	616.0	176.68#	531.90	836.47
2002-03	1206.0	280.60#	1949.18	3793.51

# this amount of subsidy is due but is yet to be released to the FCI.