

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

LOK SABHA
UNSTARRED QUESTION NO. 490
TO BE ANSWERED ON 25th JUNE, 2019

ADDITIONAL STOCK IN WAREHOUSES

490. DR. SHRIKANT EKNATH SHINDE:
DR. PRITAMGOPINATHRAO MUNDE:
SHRI SRIRANGA APPA BARNE:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether massive stocks are piled up in warehouses/godowns across the country;
- (b) if so, the quantum of additional stocks piled up in warehouses/godowns of Food Corporation of India;
- (c) the additional cost being borne by the Food Corporation of India on handling the additional stocks;
- (d) whether there is any proposal under consideration of the Government to offer extra subsidised foodgrain to the beneficiaries under the National Food Security Act (NFSA); and
- (e) if so, the time by which a final decision is likely to be taken in this regard?

A N S W E R
MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAMVILAS PASWAN)

(a) & (b): In the present system of open-ended procurement, FCI is obligated to buy all foodgrain that farmers offer to sell at the prescribed Minimum Support Price (MSP) as long as the foodgrain meets a certain quality standard. As a result, with the constantly increasing MSP and foodgrain production over the years, the procurement by the FCI has been rising continuously. The stock of foodgrains in the Central Pool as on 1st June, 2019 was 741.41 lakh tons consisting of 275.81 lakh tons of rice and 465.60 lakh tons of wheat. As on 1st April 2019, the actual stock of foodgrain in the central pool was 463.86 LMT vis-a-vis 210.40 LMT as envisaged in the Foodgrain Stocking Norms.

(c): The annual carryover cost borne by Food Corporation of India is Rs.29.56 crore per LMT in respect of wheat and Rs. 41.21 crore per LMT in respect of rice.

(d) & (e): Government enacted National Food Security Act (NFSA) in July, 2013 which gives legal entitlement to 67% of the population (75% in rural areas and 50% in urban areas) to receive highly subsidized foodgrains. Under the Act, foodgrains is allocation @ 5 kg per person per month for priority households category and @ 35 kg per family per month for AAY families at a highly subsidized prices of Rs. 1/-, Rs. 2/- and Rs. 3/- per kg for nutri-cereals, wheat and rice respectively. Coverage under the Act is based on the population figures of Census, 2011. The Act is now being implemented in all 36 States/UTs and covers about 81.35 crore persons.

The annual allocation of foodgrain under National Food Security Act and Other Welfare Schemes is about 610 Lakh Metric Tons. In order to liquidate the excess stock of foodgrain in the Central Pool, Government of India avails the available options of disposal of the excess stock of foodgrain through Open Market Sale Scheme and Export on Government-to-Government basis, as export from public stockholding is not compliant to WTO norms."
