

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2489**  
**TO BE ANSWERED ON 9<sup>th</sup> March, 2021**

**SURPLUS FOODGRAIN HOLDINGS**

**2489. SHRIMATI SAJDA AHMED:**

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

- (a) whether the Food Corporation of India (FCI) has been holding large surplus of food grain during the last two years;
- (b) the details of the sale of food grains to open market and Government agencies during the last three years;
- (c) whether the FCI has sold the food grain in open market at a loss during the last two years;
- (d) if so, the reasons therefor; and
- (e) whether the damage of food grains occurred during last few years due to surplus storage?

**A N S W E R**

**MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION**  
**(SHRI DANVE RAOSAHEB DADARAO)**

(a): Foodgrains stock available against the Stocking norms in Central Pool for last two years are as under:-

(In lakh tons)

AS ON	W H E A T		R I C E		T O T A L		Surplus Stock
	Actual stock	Foodgrains Stocking norms	Actual stock	Foodgrains Stocking norms	Actual stock	Foodgrains Stocking norms	
1.01.2019	271.21	138.00	182.91	76.10	454.12	214.10	240.02
1.07.2019	458.31	275.80	284.21	135.40	742.52	411.20	331.32
1.01.2020	327.96	138.00	237.15	76.10	565.11	214.10	351.01
1.07.2020	549.91	275.80	271.71	135.40	821.62	411.20	410.42
1.01.2021	342.90	138.00	186.69	76.10	529.59	214.10	315.49

**(b): Details of sale of wheat and rice under OMSS (D) during last three years and current years is as under:**

**( in lakh tons)**

year	Wheat			Rice		
	States/ UTs	Private Parties	Total	States/ UTs	Private Parties	Total
<b>2017-18</b>	<b>7.06</b>	<b>7.15</b>	<b>14.21</b>	<b>4.89</b>	<b>0.01</b>	<b>4.90</b>
<b>2018-19</b>	<b>7.49</b>	<b>74.34</b>	<b>81.83</b>	<b>8.45</b>	<b>0.01</b>	<b>8.46</b>
<b>2019-20</b>	<b>8.48</b>	<b>27.88</b>	<b>36.36</b>	<b>15.80</b>	<b>0.31</b>	<b>16.11</b>
<b>2020-21 (upto 24.02.2021)</b>	<b>11.37</b>	<b>11.13</b>	<b>22.50</b>	<b>22.08</b>	<b>0.40</b>	<b>22.48</b>

**(c): The reserve price fixed by Govt. of India for sale of wheat and rice under OMSS (D) during last two years and current year are as under:**

**Wheat:**

**2018-19: The Economic Cost of wheat was Rs 2359.73/quintal (unaudited) against which the reserve prices under OMSS(D) was as follows:**

**For Madhya Pradesh, Punjab & Haryana, reserve price for 2<sup>nd</sup>, 3<sup>rd</sup> & 4<sup>th</sup> quarter was Rs. 1900/-, Rs. 1925/- & Rs. 1950/- per quintal respectively. For other states railway freight ex-Ludhiana to the nearest railhead and road transportation cost from railhead to depot, where sale was undertaken was added to arrive at the reserve price.**

**2019-20: The Economic Cost of wheat was Rs 2679.95/quintal (RE) against which the reserve prices under OMSS(D) was as follows:**

**The reserve price for Madhya Pradesh, Punjab & Haryana, Reserve price for 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> & 4<sup>th</sup> quarter was initially fixed as Rs. 2080/-, Rs. 2135/-, Rs. 2190/- & Rs. 2245/- per quintal respectively. Ministry vide letter dated 17.01.2020 revised the reserve price for Madhya Pradesh, Punjab & Haryana, to Rs. 2135/- per quintal for FAQ wheat and Rs. 2080/- per quintal for URS wheat of crop year 2019-20. For other states railway freight ex-Ludhiana to the nearest railhead and road transportation cost from railhead to depot, where sale was undertaken was added to arrive at the reserve price.**

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**2020-21: The Economic Cost of wheat was Rs 2683.84/quintal (BE) against which the reserve prices under OMSS (D) was as follows:**

**The reserve price for Madhya Pradesh, Punjab & Haryana, was initially fixed as Rs. 2135/- per quintal for FAQ wheat and Rs. 2080/- per quintal for URS wheat. For other states railway freight ex-Ludhiana to the nearest railhead and road transportation cost from railhead to depot, where sale was undertaken was added to arrive at the reserve price.**

**Ministry of CAF & PD, Govt. of India vide letter dated 31.07.2020 conveyed revised policy for sale of wheat to bulk consumers/ Traders /State/UT Governments in the open market under OMSS(D) through e-auction for remaining period of 2020-21 as under:**

**1. For RMS 2019-20 wheat:**

- a. Reserve Price of RMS 2019-20 URS wheat only for sale from Punjab and Haryana will be Rs. 1840/- per quintal.**
- b. For rest of the states the revised price of RMS 2019-20 URS wheat will be Rs. 2080/- per quintal plus rail freight ex- Ludhiana to the nearest railhead and road transportation cost from railhead to depot may be added to arrive at the reserve price of that depot.**

**2. For RMS 2020-21 wheat:**

- c. Reserve Price of RMS 2020-21 URS wheat for sale from Punjab, Haryana and MP will be Rs. 2080/- per quintal.**
- d. Reserve Price for FAQ wheat(For all RMS) for sale from Punjab, Haryana and MP will be Rs. 2135/- per quintal.**
- e. For the purpose of fixation of reserve price in states other than Punjab, Haryana and MP, rail freight ex-Ludhiana to the nearest railhead and road transportation cost from railhead to depot may be added to above, if the offered stocks have been moved from Punjab/Haryana and in case the offered stocks have been transported from MP, rail freight ex-Bhopal to the nearest railhead and road transportation cost from railhead to depot may be added to above, to arrive at the reserve price.**

.....4/-

**Rice:**

**2018-19: The Economic Cost of rice was Rs 3444.10/quintal (unaudited) against which the reserve prices under OMSS(D) was as follows:**

**Reserve Price of rice was fixed at Rs. 2500/- per quintal for auction upto September 2018. From October 2018, the reserve price was to be taken as Rs. 2500/- per quintal or MSP derived price(MSP of Grade'A' paddy\*(1.5), whichever was higher. The reserve price w.e.f 1.10.2018 was accordingly fixed as Rs. 2655/- per quintal.**

**2019-20: The Economic Cost of rice was Rs 3748.13/quintal (RE) against which the reserve prices under OMSS(D) was as follows :**

**Reserve Price of rice was fixed at Rs. 2785/- per quintal for auction upto September 2019. From October 2019, the reserve price was to be taken as Rs. 2785/- per quintal or MSP derived price (MSP of Grade'A' paddy\*(1.5), whichever was higher. The reserve price of rice revised to Rs. 2250/- per quintal after 01.01.2020.**

**2020-21: The Economic Cost of rice was Rs 3726.76/quintal (BE) against which the reserve prices under OMSS(D) was as follows:**

**Initially a uniform reserve of Rs. 2250/- per quintal was fixed for sale of rice under OMSS(D) during 2020-21. Ministry of CAF&PD vide their letter dated 07.12.2020 conveyed revised policy for sale of rice under OMSS(D) for the rest of the year 2020-21 which is as follows:**

**a. The reserve price of rice under OMSS(D) for the rest of the period of 2020-21 is fixed as Rs. 2000 per qtl. For State Government and Central Government schemes and programmes including for ethanol production under bio fuel policy.**

**b. Reserve price for private parties is Rs. 2250/- per qtl. pan-India**

**(d): The reserve prices as explained above have been fixed in order to liquidate excess stock and to contain inflation, FCI is undertaking sale of wheat and rice under OMSS (D) as per the guidelines for fixation of reserve price, quantity, methodology etc.**

**(e): No damage of foodgrains occurred during the last few years due to surplus storage. Grain available with FCI is stored and preserved scientifically. FCI is storing/ handling large quantities of foodgrains over long periods. Out of these Stocks, small quantities of food grains accrue as damaged mainly due to Natural Calamities like Cyclone/Flood. In addition to this, negligible quantities become Non-issuable due to following reasons:**

- 1. Transit damages viz en-route damage in wagon/truck due to contamination, wagon roof leakage etc.**
- 2. In some cases due to negligence of officials/ officers, for which suitable disciplinary action against defaulters are invariably taken.**

**The quantum of damaged foodgrains in FCI during the last three years and current year is tabulated below:**

<b>Year</b>	<b>Damage Accrual in FCI (In Lakh tonnes)</b>	<b>% Damaged foodgrain against offtake quantity</b>
<b>2017-18</b>	<b>0.027</b>	<b>0.006</b>
<b>2018-19</b>	<b>0.05</b>	<b>0.01</b>
<b>2019-20</b>	<b>0.02</b>	<b>0.004</b>
<b>2020-21 (as on 31-01-20)</b>	<b>0.0176</b>	<b>0.0029</b>

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