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

## LOK SABHA UNSTARRED QUESTION NO.4779 TO BE ANSWERED ON 29<sup>TH</sup> MARCH, 2023

#### WHEAT RESERVES

#### 4779. SHRI RAJENDRA DHEDYA GAVIT:

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

- (a) whether the wheat reserves in the country have depleted to a six year low in 2023 leading to an abnormal rise in wheat and flour prices;
- (b) if so, the corrective measures which have been taken by the Government to keep wheat and flour prices under check;
- (c) whether the Government has identified the reasons for fairly low wheat procurement during 2022 and if so, the details thereof; and
- (d) the major steps to be taken by the Government to increase wheat procurement in 2023 to increase the reserves and to keep the likely price rise under check?

#### ANSWER

# MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SADHVI NIRANJAN JYOTI)

### (a): Stock of wheat in the Central Pool for the last six years as follows:

SI. No.	As on	Quantity (in LMT)
1.	01.02.2017	115.52
2.	01.02.2018	175.47
3.	01.02.2019	239.31
4.	01.02.2020	303.66
5.	01.02.2021	318.31
6.	01.02.2022	282.73
7.	01.02.2023	154.44

(b): To contain inflationary trends in food economy and to stabilize the market prices, Open Market Sale Scheme (Domestic) OMSS (D) policy for the year 2023 was reviewed by the Government and subsequently the reserve price of wheat upto 31.03.2023 was reduced to Rs. 2150 per Quintal(Pan India) for Fair Average Quality (FAQ) wheat and Rs. 2125 per Quintal(Pan India) for Under Reduced Specifications(URS) wheat. Further, the rate of wheat has also been reduced from Rs 23.50/Kg to Rs 21.50/Kg for sale to NCCF/NAFED/ Corporations /Cooperatives/Federations etc subject to stipulation that they will convert wheat to atta and sell it to consumers at MRP Rs 27.50 /Kg.

In addition to this, 50 LMT of wheat from FCI stock has been decided to offload under OMSS (D), 2023 upto 31.03.2023.

Offloading of wheat through OMSS has started from 27th Jan'2023, which has resulted in price correction to a large extent. Lifting of wheat is under progress which may result in further lowering of market price of wheat

- (c): During RMS 2022-23, the estimated wheat production was on lower side due to early summer. Also, there was a rise in global prices of wheat due to various geo-political reasons. Wheat farmers across the country benefitted from the higher market rates as majority of farmers sold their produce to the private traders at higher market rate in comparison to the MSP. Accordingly, the farmers could reap higher realization for their produce which is the main objective of the policy of Govt. of India towards farmers's welfare.
- (d): The steps taken by Government of India to increase wheat procurement are as under:
- Government of India has fixed the MSP of wheat at Rs. 2125 per quintal for RMS 2023-24 with an increase of Rs. 110 per quintal over last year and Government of India has fixed an estimate of 341.50 LMT wheat procurement for RMS 2023-24.
- MSP is announced well before the sowing season, so as to enable the farmers to take empowered decision on cultivation of crop.
- Farmers are made aware of the quality specifications and purchase system etc. to facilitate the farmers to bring their produce conforming to the specifications.
- Sufficient numbers of procurement centres are opened by procuring agencies including FCI, keeping in view the procurement potential and geographical spread of the State concerned. Large number of temporary purchase centres in addition to the existing Mandis and depots/ godowns are also established at key points for the convenience of the farmers.
- "One Nation, One MSP through DBT" implemented across the country from RMS 2021-22 onwards. Payment of MSP has been ensured directly into farmers' account. DBT eliminated fictitious farmers and reduced the diversion and duplication of payment as payment is being made directly to farmer's bank account. DBT of MSP has brought in responsibility, transparency and probity.
- FCI and most of the State Governments have developed their own Online Procurement System which ushers in transparency and convenience to the farmers through proper registration and monitoring of actual procurement. Through e-procurement module deployed by procuring Agencies, farmers get latest/updated information regarding MSP declared, nearest purchase center, date of procurement etc. This not only has reduced the waiting period for delivery of stock by the farmers but also enables the farmer to deliver stock as per his convenience in the nearest mandi.

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