

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

STARRED QUESTION NO:142

ANSWERED ON:04.12.2012

SALE OF SURPLUS FOOD STOCKS

Chowdhury Shri Bansagopal;Nagorao Shri Dudhgaonkar Ganeshrao

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

- (a) whether the Government allocates foodgrains for bulk consumers under the Open Market Sales Scheme;
- (b) if so, the details and the objectives thereof;
- (c) whether the Government has decided to sell 10 million tonnes of `surplus` food stock to bulk consumers like flour millers and biscuit makers through auction under the said scheme;
- (d) if so, the details thereof; and
- (e) the extent to which it would help to control the food prices and dispose of the burgeoning food stocks?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF THE STARRED QUESTION NO. 142 DUE FOR ANSWER ON 4.12.2012 IN THE LOK SABHA

(a) to (d): Yes, Madam. Government has approved sale of foodgrains through Food Corporation of India (FCI) by tender process for bulk users /traders under Open Market Sale Scheme (OMSS). Starting from July 2012, 95 lakh tonnes of wheat has been allocated to FCI for tender sale to bulk consumers/ traders. Foodgrains are allocated under OMSS to moderate their prices in open market by increasing their availability and to offload the surplus foodgrain stock available in the Central Pool.

(e) : Sale of wheat will bring down the central pool stocks to the extent of actual sales under the scheme as sale of wheat under OMSS is over and above the normal allocations made by Government under Targeted Public Distribution Scheme (TPDS) and Other Welfare Schemes(OWS). Sale of wheat under OMSS is expected to moderate wheat prices in the open market by increasing availability of wheat in the open market to the extent that the prices might have risen if more stocks were not made available.