

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

RAJYA SABHA
UNSTARRED QUESTION NO.1623
TO BE ANSWERED ON 6TH AUGUST, 2024

EXCESS STOCK OF RICE

1623 SHRI V. VIJAYASAI REDDY:

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

- (a) whether due to excess stocks of rice, Government is incurring a carrying cost of ₹6,000 crores to maintain excess stock during 2023-24;
- (b) whether, in 2024-25, it is expected to spend another ₹1,600 crores;
- (c) whether steps have been taken to clear excess stocks;
- (d) whether Government is considering reducing reserve price of ₹29/kg to sell them under the Open Market Sale Scheme-Domestic; and
- (e) if so, the details thereof and if not, the reasons therefor?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION
(SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)

(a) to (b): Around 600 Lakh Metric Tonne food grains are allocated for distribution to the targetted beneficiaries under various Central Schemes by Department of Food and Public Distribution every year. To run the Public Distribution System in an efficient and effective way, a part of the food grains procured is kept as operational and strategic reserve. While carrying cost for maintenance of stock of rice kept as reserve, during the year 2023-24 is Rs. 600.51 per quintal, it is expected to be reduced to Rs. 435.98 per quintal during the year 2024-25.

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(c) to (e): In order to ensure availability of food grains in the market at affordable price to the consumer at large and to control the inflationary trend, Government of India release the food grain stocks in the market under the Open Market Sale Scheme (Domestic)[OMSS(D)]. As per OMSS(D) policy 2024-25 issued on 09.07.2024, reserve price of rice for different categories of buyers is fixed as under:

- i. Reserve price for sale of rice to State Governments of non-surplus States which require additional rice to meet their requirements, without participating in e-auction is fixed at Rs.2800/qtl.
- ii. Reserve price for sale of rice to private parties through e-auction is fixed at Rs.2800/qtl.
- iii. Reserve price for sale of rice from FCI depots to small private traders/entrepreneurs/ individuals has been introduced at a reserve price of Rs.2800/qtl.
