

II. Food Management

5.52 Procurement higher than the offtake had resulted in a build-up of excessive stocks of foodgrains during the two successive years of 2001-02 and 2002-03. Subsequently, however, due to increased offtake under TPDS and other welfare schemes, stocks of foodgrains stood at 18.8 million tonnes on January 1, 2006, lower than not only the stocks of 21.7 million tonnes on January 1, 2005 but also the buffer stock norm of 20 million tonnes. The main reason for the decline in stocks was the lower stock of wheat.

5.53 Coarse grain procurement was higher at 1.14 million tonnes in 2005-06 as against 0.8 million tonnes in 2004-05. Wheat stocks were depleted down to 2 million tonnes in April 2006 against a buffer stock norm of 4 million tonnes. Poor procurement of wheat further reduced the actual stocks relative to buffer norms. To make up for the shortfall of wheat procurement in the rabi marketing

season (RMS) 2006-07, Government decided to import 5.5 million tonnes of wheat through the State Trading Corporation (STC) for the central pool at an average weighted price of US\$ 205.31 per tonne, of which 4.5 million tonnes arrived by end of January 2007. In addition, one million tonnes of wheat import on account of private traders was also contracted.

5.54 On the sugar front, adequate domestic availability is ensured with a supply of 22.7 million tonnes as against estimated consumption of 19.0 million tonnes. In so far as rice and wheat are concerned, accelerated procurement of rice (Table 5.14) together with the augmentation of stocks through imports of wheat has ensured adequate consumption-stocks in food grains. Government's timely decision of importing wheat checked the deficit and augmented the domestic availability of foodgrains, pre-empting major negative impact on food security for the nation.

**Table 5.14: Procurement of wheat and rice (central pool)
(Million tonnes)**

MarketingYear	Wheat		Rice	
	(April - March)		(October - September)	
	Qty	Per cent change	Qty	Per cent change
1995-96	12.33	3.88	10.07	-26.55
1996-97	8.16	-33.82	12.97	28.80
1997-98	9.30	13.97	15.59	20.20
1998-99	12.65	36.02	12.60	19.18
1999-00	14.14	11.78	18.23	44.68
2000-01	16.35	15.63	21.28	16.73
2001-02	20.63	26.18	22.13	3.99
2002-03	19.05	-7.66	16.42	-25.80
2003-04	15.80	-17.06	22.83	39.04
2004-05	16.80	6.33	24.68	8.10
2005-06	14.79	-11.96	27.66	13.57
2006-07*	9.23	-	9.96	-

* As on November 30, 2006
Source : Department of Food and Public Distribution.