



## Open Market Sale Scheme

### Why in News?

The [Food Corporation of India \(FCI\)](#) will off load **30 LMT** wheat from the Central pool stock to the market through various routes under the **Open Market Sale Scheme** (Domestic).

- Wheat will also be offered to State Governments/UTs for their schemes without e-auction.

### What is an Open Market Sale Scheme (OMSS)?

- FCI sells surplus stocks of wheat and rice at predetermined prices **through e-auction in the open market from time to time to enhance the supply of food grains.**
- The purpose of OMSS is to **dispose of surplus stocks of wheat and rice held by FCI**, and to regulate the prices of wheat in the open market.
- FCI conducts weekly auctions for the **OMSS** for wheat on the platform of the [National Commodity and Derivatives Exchange Limited \(NCDEX\)](#).
  - NCDEX is a **commodity exchange platform in India** that provides a platform for trading in various agricultural and other commodities.

### What is the Food Corporation of India?

- The FCI is a government-owned corporation that manages the [food security system in India](#).
  - It was established in **1965** under the Food Corporation's Act 1964 with the objective of ensuring **adequate availability of food grains** throughout the country, and to maintain price stability in the market.
- The **FCI also maintains buffer stocks** of food grains to ensure food security during times of scarcity or crisis.
- The FCI is also responsible for distributing foodgrains throughout the country for [public distribution system](#).
- **FCI also conducts e-auction** as one of the methods to **dispose of its surplus food grains**.

## UPSC Civil Services Examination, Previous Year Question (PYQ)

### Prelims

**Q1. With reference to the provisions made under the National Food Security Act, 2013, consider the following statements: (2018)**

1. The families coming under the category of 'below poverty line (BPL)' only are eligible to receive subsidised food grains.
2. The eldest woman in a household, of age 18 years or above, shall be the head of the household for the purpose of issuance of a ration card.
3. Pregnant women and lactating mothers are entitled to a 'take-home ration' of 1600 calories per day during pregnancy and for six months thereafter.

**Which of the statements given above is/are correct?**

- (a) 1 and 2 only
- (b) 2 only
- (c) 1 and 3 only
- (d) 3 only

**Ans: (b)**

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### **Mains**

**Q.1** In what way could replacement of price subsidy with Direct Benefit Transfer (DBT) change the scenario of subsidies in India? Discuss. **(2015)**

**Source: PIB**

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