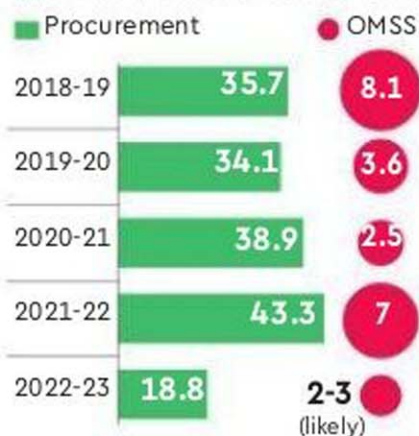


Govt to sell 2-3 mt of FCI wheat in open market

WHEAT MANAGEMENT BY FCI (million tonne)



Source: Food ministry

SANDIP DAS
New Delhi, December 8

THE GOVERNMENT IS likely to offload 2–3 million tonne (mt) of wheat under the Open Market Sale Scheme (OMSS) from the Food Corporation of India's (FCI) stocks to bulk buyers soon, to curb rising prices of the grain.

Sources told *FE* the FCI has fixed ₹2,250 a quintal (excluding transportation cost) as the OMSS price. The FCI's open market sales stood at 7 mt in 2021-22 and 2.5 mt in 2020-21. At the beginning of the month, the FCI's wheat stock was 18.3 mt against the buffer norm of 13.8 mt for January 1. A year back, wheat stocks were at 37.8 mt. "Proposal to offer wheat to bulk buyers from the FCI stock is under consideration," a food ministry official said and a decision is likely to be taken early next month. The corporation had earlier stopped sale of wheat

in the open market from its stocks for the first time, more than a decade in view of a sharp drop in procurement in the 2022-23 rabi marketing season, and additional allocations of the grain under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY). Sources said that as per the latest assessment, the wheat stocks held with the FCI by April 1, 2023 would be a comfortable 11.3 mt against a buffer of 7.4 mt.

This is based on the assumption that the free ration scheme — PMGKAY — is not extended beyond December 31, 2022. According to an assessment, if the free ration scheme is extended eight times beyond January 1, 2023, the FCI's wheat stock is projected to fall below the buffer to 9.2 mt on April 1, 2023.

Wheat will be offered to small flour millers across all depots in smaller quantities.