

Govt to sell more wheat under OMSS

TAMING INFLATION. Plans to offload an additional 20 lt, asks millers to lower *atta* prices

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The government on Tuesday announced it will release 20 lakh tonnes (lt) of additional wheat in the market under the open market sale scheme (OMSS) to further tame prices. The announcement comes a day before the next round of auctions to sell 11.72 lt of wheat.

“So far, it has been decided to offload 50 lt (30 lt+20 lt) of wheat under the open market sale scheme (OMSS). The reduction in reserve price along with additional offloading of 20 lt will collectively help in reducing the market price of wheat and wheat products for consumers,” the Food Ministry said in a statement. The first round of auction was held on February 1 and the next on February 15.

RETAIL PRICES DROP

The all-India average retail price of wheat has declined to ₹33.15/kg



PROACTIVE STEPS. The announcement comes a day before the next round of auctions to sell 11.72 lt of wheat REUTERS

from ₹33.47/kg over the last three weeks, according to Consumer Affairs Ministry data. *Atta* prices have declined to ₹37.63/kg from ₹38.02/kg in retail markets.

The Ministry said Food Secretary Sanjeev Chopra reviewed the lifting of stocks as 3.84 lt got sold in the second round of e-auction.

Chopra is reported to have ad-

vised flour millers to bring down prices of *atta* (wheat flour) and other products in line with the reduction in market prices of wheat.

STERN MESSAGE

The government sent a stern message to traders and millers that it would take further steps if *atta* prices do not fall, sources said.

Asked if the government indicated further cut in the reserve price, the source said any such decision depends on the results of the e-auction scheduled for Wednesday. “If the offtake falls from the second round level, the government may do another price revision on Friday,” the source said.

Sources in the private trade said the government wants to bring down *mandi* (market) prices of wheat below MSP so that farmers sell their produce to FCI.

At a post-Budget discussion with stakeholders in Jaipur on February 20, Finance Minister Nirmala Sitharaman said the government would continue to focus on controlling inflation for which several steps have already been taken. After two months of easing, retail inflation based on Consumer Price Index (CPI) breached the RBI's upper tolerance level and surged to 6.5 per cent in January against 5.72 per cent in December due to higher price of cereals.