

FCI floats tenders to sell wheat, rice

CHECKING PRICE RISE. E-auctions of 4 lt wheat and 3.86 lt rice tomorrow under open market sale scheme

Our Bureau

New Delhi

Food Corporation of India (FCI) will sell through e-auction nearly 8 lakh tonnes (lt) of foodgrains on Wednesday (July 5) as part of the government's efforts to cool domestic prices of wheat and rice. According to State-wise tenders issued over the last three days, the Government has offered to sell 4.07 lt of wheat and 3.86 lt of rice under the open market sale scheme (OMSS).

In a shift from its earlier policy, the Government has decided to hold the e-auction every week. Earlier, it was supposed to be on alternate weeks, one-grain type a week.

PUNJAB ALLOTTED MORE

Except in three States, where minor adjustments have been done in allocation, all other States have been allotted the same quantity as was in the first round of tender, officials said. Only 85,580 tonnes of wheat were sold, at an average ₹2,136/



POLICY SHIFT. The Government has decided to hold the e-auction every week against alternate weeks planned earlier

quintal, against 4.08 lt on offer in the first round of e-auctions held last week.

On the other hand, in the first round of rice e-auction Punjab has been allotted 1.5 lt, which is 39 per cent of the total quantity on offer.

"Since Punjab has excess stock, the offering is also higher," an official source said. However, traders said the allocation has not been justified as many consuming States

have not received adequate quantity whereas Punjab, which is predominantly a wheat-consuming State, has received a huge allotment.

5 STATES SKIPPED IN RICE

There is no auction in rice announced for Madhya Pradesh, Haryana, Assam, Chhattisgarh and Telangana. Officials said due to on-going procurement of rabi-grown paddy some States have been excluded

since there is a possibility of recycling. However, millers said that due to the reserve price fixed at ₹3,100/quintal, there is no scope for recycling.

In the on-going season (October-September), the Government buys the majority of paddy at ₹2,060, which comes to ₹3,075 in terms of rice.

Bihar has been allocated 30,000 tonnes of rice in the first e-auction, while Uttar Pradesh got 15,000 tonnes and West Bengal 2,300 tonnes. Odisha has been allotted 10,000 tonnes, Jharkhand 17,000 tonnes, Andhra Pradesh 7,000 tonnes, Karnataka 33,000 tonnes and Kerala 10,000 tonnes.

The conditions such as bidders should have an FSSAI licence and cannot re-sell the rice to bulk buyers, as in the wheat auction, have been retained in the rice tender, too. Similarly, the maximum cap of 100 tonnes per entity as well as having a GST number in a State to be eligible to participate in that State have been retained in rice auction guidelines.