The Executive Director (Zone),
Food Corporation of India,
Zonal Office,
NOIDA (UP)/ MUMBAI/ CHENNAI/ KOLKATA/ GUWAHATI.

The General Manager (Region),
Food Corporation of India,
Regional Office,
MUMBAI/ BHOPAL/ AHMEDABAD/ RAIPUR/ KOLKATA/
BHUBANESHWAR/ PATNA/ RANCHI/ CHENNAI/
THIRUVANANTHAPURAM/ BANGALORE/ HYDERABAD/ GUWAHATI/
ITANAGAR/ SHILLONG/ DIMAPUR/ LUCKNOW/ NEW DELHI/
DEHRADUN/ JAIPUR/ SHIMLA/ JAMMU/ CHANDIGARH (PB.)/
PANCHKULA (HR.).

Subject: Policy for sale of wheat and rice under Open Market Sale Scheme(Domestic) for the year 2016-17.

Sir,

Ministry of CAF&PD vide its OM No.1-1/2015-PY-IV dated 26.04.2016 (Copy enclosed), has conveyed policy for sale of wheat and rice under Open Market Sale Scheme(Domestic) for the year 2016-17.

To implement the decision of the Ministry, you are requested to undertake sale of wheat and rice under OMSS(D) as under:

(i) The sale of wheat in non-wheat producing States will be started w.e.f. 2nd May, 2016, however, Hilly States like J&K and Himachal Pradesh and States like Chhattisgarh & West Bengal which are minor wheat producers and face demand-supply gap even in harvest season, will also be included. Sale from other wheat producing & procuring States like Punjab, U.T. of Chandigarh, Haryana, N.C.T of Delhi, Madhya Pradesh, Uttar
Pradesh, Rajasthan, Gujarat, Maharashtra, Bihar, Jharkhand & Uttarakhand will be started w.e.f. 1st July, 2016 i.e. after procurement of wheat is over in all the States.

(ii) **For sale of rice**, FCI will conduct weekly/monthly e-auction in various States in such a manner that during the months of procurement of paddy/rice in a particular State, the sale of rice can be avoided to check the possibility of any recycling of PDS rice. However, e-auctions could be held, if there are demands from State Governments or their Agencies for their welfare schemes / food security schemes during this period as an exception.

As per Ministry’s instruction, concerned Regions where rice procurement is going on, are advised to bring the scheme in the notice of State Governments so that if there are demands from State Governments or their Agencies for their welfare schemes / food security schemes, FCI Headquarter may allow concerned GM(Region), FCI to conduct e-auction of rice during procurement period as an exception.

(iii) The reserve price for the bulk sale of wheat under OMSS(D) in 2016-17 to private bulk buyers/traders in Punjab, Haryana and Madhya Pradesh is kept as Rs.1640/- per quintal. For sale from the depots of FCI outside surplus procuring States of Punjab, Haryana and Madhya Pradesh, freight/road transport charges up to the concerned depots of FCI, ex-Ludhiana will be added in this reserve price.

(iv) The overall reserve price for sale of Grade-A rice under OMSS(D) has been kept at Rs.2400/- per quintal for 2016-17.

(v) It has been decided to discontinue the special arrangement made for J&K buyers for purchasing wheat in e-auctions in Punjab at discounted reserve price. Thus, FCI, R.O, J&K must ensure adequate stock on offer for J&K buyers within the State itself at Railfed Depots / Railheads at reserve price fixed after adding ex-Ludhiana freight.

(vi) In view of announcement of elections in the State Assemblies by the Election Commission, the model code of conduct has come into force. Therefore, no publicity of the aforesaid scheme shall be made to influence voters in poll going States/UT.

(vii) Instruction for sale under Dedicated Movement to be effective from 01.07.2016 will be issued later on.
1st e-auction for the year 2016-17 will be conducted on 5th May 2016 and the notice for the same will be published on 2nd May 2016. Thereafter, the notice of e-auction will be issued on every Monday and e-auction will be conducted on every Thursday as was being done earlier. The e-auction shall be conducted by NCDEX as per terms and conditions as contained in FCI Hqrs. Letter No. J.1(1)/2015-16/OMSS (D)/BC/S.III/Vol.III dated 18.04.2016 (Copy enclosed).

Other terms and conditions will remain same as during 2015-16 issued from time to time.

You are requested to take necessary action after suitably modifying the MTF at your level.

This issues with the approval of Competent Authority.

Encl: As above

Yours faithfully,

(Harish Kumar)
DGM(Sales)

Copy to:-

1) The Joint Secretary (Policy), Department of F & PD, Ministry of CA, F & PD, Krishi Bhawan, New Delhi.
2) All EDs, FCI, Hqrs., New Delhi-For kind information please.
3) Director(Movement), Department of F & PD, Ministry of CA, F & PD, Krishi Bhawan, New Delhi.
4) GM (Movt.)/GM(QC), FCI, Hqrs., New Delhi.
4) M/s. NCDEX Spot Exchange Limited, Mumbai........For information and necessary action please.
No.1-1/2015-PY-IV
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Food & Public Distribution

Krishi Bhawan, New Delhi.
Dated, the 26th April, 2016

Office Memorandum

Subject: Policy for sale of wheat and rice under open Market Sale Scheme (Domestic) for the year 2016-17- regarding.

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The undersigned is directed to convey the approval of the competent authority on Policy for sale of wheat and rice under open Market Sale Scheme (domestic) for the year 2016-17 as follows:-

1. A target of 65-75 lakh MT has been set for sale of wheat by FCI out of Central Pool under OMSS-D during 2016-17 and to review the target, if situation changes after wheat procurement is over and its Central Pool surplus as on 1st July, 2016 is exactly known.

2. As far as sale of rice is concerned, it has been decided that a target of 20 lakh MT of Grade A Rice will be kept for sale under OMSS-D during 2016-17.

3. It has been further decided that the sale of wheat in non-wheat producing States will be started w.e.f. 1st April, 2016, however, Hilly States like J&K and Himachal Pradesh and States like Chhattisgarh & West Bengal, which are minor wheat producers and face demand - supply gap even in harvest season, will also be included. Sale from other wheat producing & procuring States like Punjab, U.T. of Chandigarh, Haryana, N.C.T. of Delhi, Madhya Pradesh, Uttar Pradesh, Rajasthan, Gujarat, Maharashtra, Bihar, Jharkhand & Uttarakhand will be started w.e.f. 1st July, 2016 i.e. after procurement of wheat is over in all the States.

4. For sale of rice, FCI will conduct weekly/ monthly e-auction in various States in such a manner that during the months of procurement of paddy/ rice in a particular State, the sale of rice can be avoided to check the possibility of any recycling of PDS rice. However, e-auctions could be held, if there are demands from State Govts. or their Agencies for their welfare schemes/ food security schemes during this period as an exception.

5. It has been decided that a reserve price for the bulk sale of wheat under OMSS (D) in 2016-17 to private bulk buyers/traders will be kept as Rs.1640 per quintal. For sale from the depots of FCI outside surplus procuring States of Punjab, Haryana and Madhya Pradesh, freight/ road transport charges up to the concerned depots of FCI, ex-Ludhiana will be added in this reserve price.
6. For sale under dedicated movement, the handling and transportation charges from FCI Depot to the loading in Railway rake will also be added in the reserve price.

7. The overall reserve price for sale of Grade-A rice under OMSS (D) will be kept at Rs. 2400 per quintal for 2016-17.

8. It has been decided to discontinue the special arrangement made for J&K buyers for purchasing wheat in e-auctions in Punjab at discounted reserve price. However, FCI must ensure adequate stock on offer for J&K buyers within the State itself at Railfed Depots/ Railheads at a reasonable reserve price after adding ex-Ludhiana freight.

9. In view of announcement of elections in the State Assemblies by the Election Commission, the model code of conduct has come into force. Therefore, no publicity of the aforesaid scheme shall be made to influence voters in poll going states/UT.

(Brij Bihari Lal)
Under Secretary (Py III&IV)
Tel. No. 23384448

To

CMD, FCI, New Delhi

Copy for information to:

(i) Secretary, Department of Expenditure
(ii) Secretary, Department of Consumer Affairs
(iii) Secretary, Department of Commerce
(iv) AS & FA, D/o F&PD

Copy to:-

a) PPS to Minister of CA, F&PD
b) PS to Minister of Finance
c) PPS to Secretary, Department of Food & Public Distribution
d) PPS to JS (Policy & FCI)
e) BP-I Division
f) NIC, Deptt. of Food & PD with the request to upload this O.M. on the official website of the Department.
g) Concerned file (Guard file)
No. J. 1(1)/ 2015-16/ OMSS (D)/B C/ S.III/ Vol.III

M/s NCDEX Spot Exchange Ltd.,
Ackruti Corporate Park,
LBS Road, Kanjur Marg (W),
Mumbai- 400078.

Sub: Extension of services at mutually agreed terms.

Ref: Your office letter dated 15.03.2016.

Sir,

Please refer to communication cited above.

Your offer for extension of services for e-auction of foodgrains under OMSS(D) at existing rate of Rs.1.24 per MT (excluding taxes) or new rate to be finalized against the tender opened on 11.03.2016, whichever is lower, has been examined.

It has been decided to extend your period of service from 01.04.2016 upto 31.05.2016 or till positioning of new service provider, whichever is earlier at existing rate of Rs.1.24 per MT (All-inclusive cost per Metric Tonne of quantity of foodgrains finally lifted pursuant to the sale through e-auction, excluding service tax) or new rate to be finalized against the tender opened on 11.03.2016 whichever is lower. Other terms and conditions will remain same as envisaged in letter dated 29.11.2013.

You are requested to renew Bank Guarantee for the extended period and six months thereafter, also send confirmation in this regard immediately.

Yours faithfully,

(Harish Kumar)
Dy. General Manager (Sales)
For ED (Sales)