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Co-ops margin to convert Bharat atta may rise to Rs 10 /kg

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The Union government has reduced the cost of wheat supplied to cooperative agencies such as Nafed, NCCF and Kendriya Bhandar to ₹1,715/quintal from ₹2,150 by agreeing to bear a subsidy of ₹435/quintal.

However, there is no order yet on whether maximum retail price (MRP) of "Bharat atta", processed from the wheat supplied by Food Corporation of India (FCI), will also see a reduction from current ₹27.50/kg, implying it is unlikely.

In an order issued by Food Ministry to FCI, it has been mentioned that the Committee of Ministers (COM), headed by



Home Minister Amit Shah has approved a subsidy of ₹435/quintal on the reserve price of wheat of ₹2,150 allocated for Bharat Atta to make the effective issue price of wheat by FCI to central agencies at ₹1,715.

"Necessary resources to cover the differential amount may be provided to FCI from the Price Stabilisation Fund,"

the order said. FCI is requested to take necessary action for sale of wheat to central agencies for Bharat Atta at the Issue Price of ₹1,715/quintal, the Ministry said.

COST RECOVERY ISSUES

Sources said the agencies had sought the margin for conversion from wheat to atta be raised as they were not able to recover the cost at ₹6/kg while bringing the grain from FCI depot and to take it till the consumers at same price across the country.

Since the government could not raise the MRP of Bharat atta, which was recently reduced to ₹27.50/kg from ₹29.50, the only option was to make wheat available at cheaper rate, the sources said.