

Govt mulls stock-holding limit for wheat

Food secretary says stocks are sufficient, current spike in prices due to speculative trade

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THE GOVERNMENT IS set to ask traders to declare their wheat stocks, as it is weighing stock-holding limits to augment domestic supplies in the coming months, food secretary Sudhanshu Pandey said on Monday. Stating that there are sufficient wheat stocks in the country as of now, Pandey said the government would take action against hoarding. The current rise in prices is due to speculative trade, he said.

"Through a wheat exports ban, domestic prices have been insulated from the rise in global prices," Pandey said, addressing an event organised by the Roller Flour Millers Federation of India.

According to the department of consumer affairs' price monitoring cell data, the modal retail price of wheat and flour (atta) on Monday rose to ₹25/kg and ₹34/kg, respectively, from ₹23/kg and ₹28/kg that prevailed three months back.

Pandey said while the government's wheat production estimate was around 106 million tonne (mt) for the 2021-22 crop year (July-June), the trade estimate was in the range of 95-98 mt. "Even if trade estimates are to be believed, the production is enough to meet the domestic demand," he said.

The annual domestic consumption of wheat is estimated at 84-85 mt. India has exported around 4.5 mt of wheat in the current fiscal, of which around 2.1 mt was shipped prior to the imposition of the ban on exports in May 2022.

However, the government has allowed exports of wheat for meeting food security needs of developing countries on a case-to-case basis.

In 2021-22, India had exported 7 mt of wheat. Earlier this month, the government banned exports of wheat flour, maida and semolina.

The mandi prices are currently ruling at ₹2,200-2,300 per quintal, against the minimum support price (MSP) for the current season of ₹2,015 per quintal.

"Traders and farmers are still holding on to wheat stocks, which they will release in the market by next month," Mukesh Khatod, a trader from Chittorgarh mandi, Rajasthan, told *FE*.

The preparation of rabi sowing of wheat could commence by the end of October. The harvesting of new crops would commence from April 2023.



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SUDHANSHU PANDEY,
FOOD SECRETARY

Centre to soon announce sugar export quota

THE GOVERNMENT WILL soon announce the export quota of sugar for the next marketing year starting October, food secretary Sudhanshu Pandey said on Monday.

He however did not disclose the quantity of sugar that will be allowed for export in 2022-23 marketing year.

"We will soon announce the sugar export policy for next season," Pandey said on the sidelines of 82th AGM of the Roller Flour Millers Federation of India. — **PTI**

wheat stocks in the central pool stood at 24.8 mt, against the buffer norm of 20.5 mt (for October 1), the lowest since 2008.

Depletion in wheat stock attributed to a more than 56% drop in procurement in the current rabi season to only 18.8 mt, against 43 mt purchased by the Corporation of India (FCI) and agencies in the 2021-22 season (April-June), because of lower production.

Because of a fall in wheat procurement, the FCI will not be releasing wheat stocks through an open market sale scheme for bulk buyers, like flour millers.

Gagan Gupta, a trader in Sehore, one of the biggest mandis in Madhya Pradesh, said that because of the ban on wheat exports, mandi prices have decline by ₹150 a quintal from an earlier pick of ₹2,450 a quintal, as consignments meant for exports are gradually entering the domestic market.