

First in 15 Yrs: Govt Puts Stock Limit on Wheat

Limit, effective till March, to check price rise; govt to also sell wheat & rice to bulk buyers; sugar export bar stays

Our Bureau

New Delhi | Pune: The central government has imposed stock limits on wheat till March 31 next year to arrest the rising prices of the grain, said food secretary Sanjeev Chopra on Monday. This comes despite the government predicting — in the Third Advance Estimate — record wheat production of 112.74 mt.

The last time a stock limit was imposed on wheat was in 2008.

The price of the cereal has risen 8.13% at the mandi level in the last one month, according to the food department, which may reflect in the domestic wholesale and retail price in the coming days.

The government will also release 1.5 million tonnes (mt) of wheat from its stocks at the reserve price of ₹2,150 per quintal to cool down the prices. It will also provide rice to bulk buyers under the open market

sale scheme, but the quantity will be decided in due course. However, there are no plans to tweak the import policy of wheat in the near future, Chopra said. Also, the export of sugar will not be permitted as of now.

Wheat wholesalers and traders will be allowed to stock 3,000 mt of the commodity. The stock limit is 10 mt for retailers at each outlet. For big-chain retailers, it is 10 mt for each outlet and 3,000 mt at their depots. Processors can stock 75% of the annual installed capacity or the equivalent to monthly installed capacity multiplied by the remaining months of 2023-24 — whichever is lesser.

Industry watchers said the move spells bad news for the wheat milling industry. “Most of the flour mills from South India purchased wheat at higher prices,” said Pramod Kumar S, president, the Roller Flour Millers’ Association of India.

With inputs from PTI

Checking Hoarding

Move comes despite govt estimating record wheat production of **112.74 mt**

Price up 8.13% at the mandi level in one month



Govt to release **1.5 mt** of wheat from its stocks at reserve price of **₹2,150/quintal**



FCI procured **26 mt** of wheat, short of the **34 mt** target

Stock limit to lead to losses for wheat milling industry

Most flour mills bought wheat at higher prices