

Wheat Processors want Import Duty Scrapped

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Pune: The wheat processing industry has demanded the removal of 40% import duty on the food grain to improve supplies in the local market, as the government's procurement is lagging the target and since the carry-forward stock at the beginning of the fiscal was the lowest in 16 years.

Scrapping of the duty will boost imports, help increase the buffer stock and reduce volatility in wheat prices, which are 15-20% higher compared with two

years ago, they said.

"The wheat stock had reached their lowest levels in 16 years on April 1. If we have enough stock in the central pool, it will help us reduce the volatility in wheat pri-

ces," said Navneet Chitlangia, vice-president of the Roller Flour Millers Association of India. Representatives of the association met the central government officials on Monday with a request to

remove the import duty.

International wheat prices have increased by over 15% in the last 10 days. "If we remove the 40% import duty, it would become feasible for some mills in South India to import wheat," Chitlangia said.

Rohit Khaitan, a wheat processor from Raniganj in West Bengal, said: "Wheat prices in the domestic market have increased by 4% during the last fortnight. We are unable to pass on this rise in wheat prices by increasing atta prices as the demand is less by about 20-25% due to the prevailing heat wave conditions."



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