



Current Scenario of Wheat Industry in India

(*Priyanka Sharma and Monish Roy)

Uttar Banga Krishi Vishwavidyalaya, Faculty of Agriculture, Pundibari, Coochbehar,
West Bengal (India)

*Corresponding Author's email: sprianca133@gmail.com

Estimated Production of Wheat for the year 2021-2022

As per the reports of PTI, production of wheat in India has been estimated to be a record of 111.32 million tonnes particularly for the month of June-July for the year 2021-2022. On the contrary, wheat production was estimated to be around 109.59 million tonnes for the year 2020-2021. Releasing the second advance production estimate, the ministry said total food grain production too is estimated at a record 316.06 million tonnes this year, as against 310.74 million tonnes in the previous crop year.

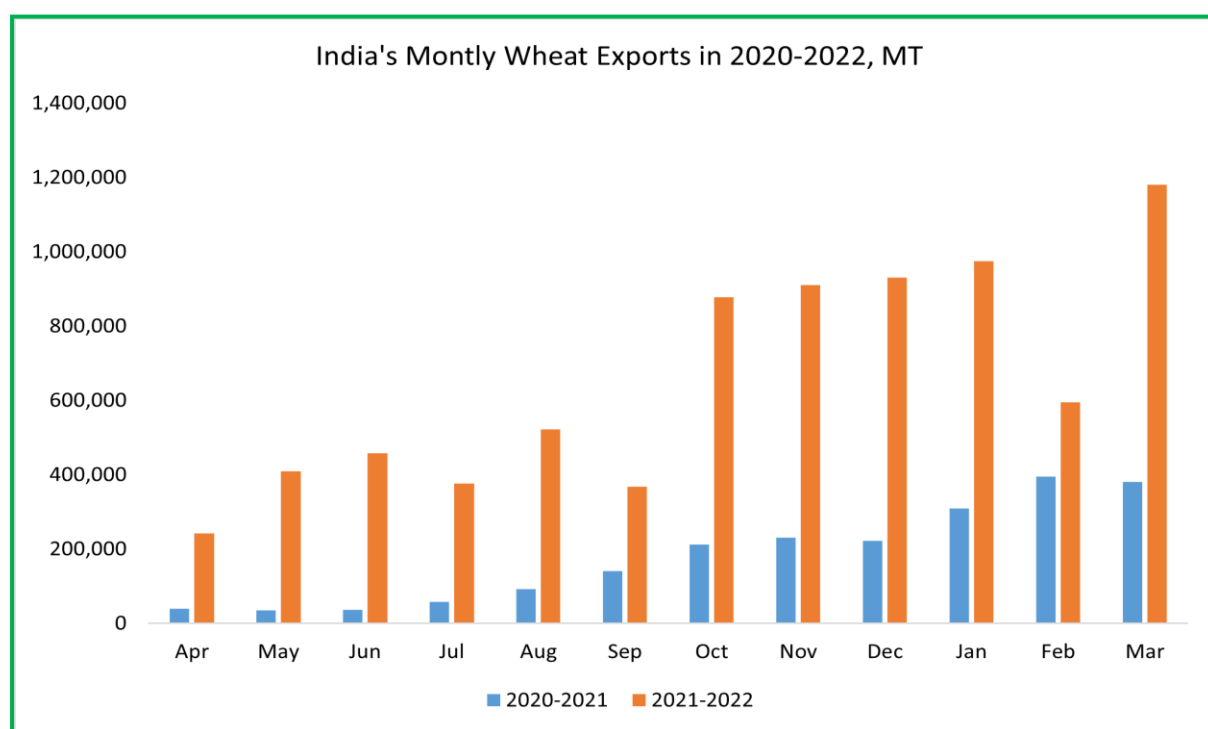
Decreasing Wheat and Rice stocks might hinder the potentiality to continue free food grain scheme

Extending the free food grain scheme of Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) beyond September 2022 will be a tough call for the govt. keeping in view in terms of reduction in production of wheat and rice stocks in addition to the subsidy issues. In order to tackle such issues, the govt. can take initiatives in order to produce maximum wheat production to meet the buffer stock norms. The govt has extended the PMGKAY till September 2022 while entitles nearly 80 crore people to get 5 kg of food grain every month free of cost. This is in addition to the entitlement of a same quantity of wheat produced on subsidiary basis under the National Food Security Act. According to officials, if the PMGKAY is extended till March 2023, the overall rice stock in the Central pool may plunge before the buffer norm by 22 lakh tonne. In general, operational stocks and strategic reserves are included in the buffer stock norms which would cost around Rs. 90000 crores to the exchequer in the form of subsidy. Officials said the estimated rice stocks with the Food Corporation of India (FCI) as on April 1 2023 would be around 114 lakh tonne against the buffer norm of 136 lakh tonne, if the PMGKAY is extended. Relatively, the wheat production might decrease upto 90 lakh tonnes against the buffer of 74 lakh tonne for the year April 2023. Due to the lowest procurement of wheat for the year 2022, its stock in the central pool stood at 285 lakh tonne as on July 2022 against the buffer stock norms of 275 lakh tonne. The govt. has also initiated the provisions of any open market sale of stocks during the year 2022. In the case of rice stock, the FCI had 315 lakh tonne in the Central pool in July 1 against the buffer norm of 135 lakh tonne. But this will change dramatically if the govt. continues the free food grain scheme.

Decreased Wheat Production in India could restrict exports for the year 2022-2023

As global grain wheat supplies tighten due to the Russia Ukraine war, India is becoming a vital wheat exporter in 2021-2022. In the year 2021-2022, India had exported 7.85 million mt of wheat, 3.6 times more than in 2021-2022. Middle East and African countries have initiated

to diversify the linkage for purchase of wheat majority of the emphasis has been created by the recent ongoing geopolitical crisis in the Black Sea region. However, the expectations of a 10% fall in wheat production in the country amid drought may set limits to export volumes in the year 2022-2023. As per the reports, it was revealed that there was a reduction in percentage of export of food grains for the year 2021-2022. Although some of the major wheat exporting countries particularly Russia, USA, Canada were deprived of exporting wheat but India could be able to balance and strengthen wheat production in the global market. It could be possible due to the sufficient production of 109.5 million MT in the year 2021 and 108.5 million MT from the previous year. India has procured sufficient food reserves totalling 27.3 million at the beginning of the season up to 11.8 %. As per the data received from the traders, final exports figure and governmental eleven month wheat export numbers shows that India's wheat shipped 1.18 million MT. Middle East and Asian countries were importing wheat from India in order to mitigate supply disruptions from the Black sea Region. In the year 2021-2022, Bangladesh had imported more than 4 million MT of wheat from India thereby representing 51% of the total shipments. Apart from Bangladesh, Sri Lanka had imported total quantity of 581000 MT representing 7.5 % of total exports from India and UAE- 480,000 MT (6.1%). It is also estimated that in the year 2022-2023, majority of wheat will be exported to the west maximum buyers from Middle East expecting to boost imports significantly. As per the reports, it has been concluded that after several field checks and inspections, India has been listed by Egypt under the category of wheat supplier list in mid April 2022 and a total quantity of 240,000 MT is expected to be exported to Egypt in April. The significant impact of Indian wheat is due to its competitive export price, with milling wheat being USD 30-40/MT which is lower than Ukrainian or Russian price. However, in terms of delivery time and freight rates, it is double the value from the regions of Black Sea. The govt. of India has set up a target of exporting 10 million MT for the year 2022-2023 which is 3 million higher than the export done on the year 2021-2022. In wheat belt areas particularly Uttar Pradesh, Haryana, Punjab, production has been affected due to extreme heat leading to an increase in temperature and hence hindering the export potentiality of wheat crops.



Current Scenario of Indian Wheat Industry (2021-2022)

Based on the current scenario in terms of wheat production for the year 2021-2022, it has decreased by almost 3% to 106.4 million tons from 109.59 million tons in the previous year. It is about 4.61% lower than the predicted volume of 111.32 million tons for the recent year. As per the reports revealed by Union Ministry of Agriculture and Farmers' Welfare, it has been concluded that the decrease in wheat production is due to high temperature particularly in the areas of Punjab and Haryana. Similarly, decrease in production was also observed in some other crops particularly cotton and coarse cereals including maize, millets, sorghum and barley.

FSSAI Regulations for Wheat grains

Parameters which are included under the category of Physico-chemical properties are moisture content, Aflatoxin content, uric acid and all other parameters would be within the specified limits given by FSSAI. salmonella shall be absent in 25 g.

Category	Parameter	Permissible limit
Physico chemical	Moisture	Max 14%
	Uric acid	Max 100 ppm
	Foreign matter	Not more than 1 % by weight
	Other edible grain	Max. 6%
	Damaged grains	Not more than 6% by weight
	Weevilled grains	Max 10%
	Total FM and damaged grains	Max 12%
Microbiology	Salmonella	Absent in 25 gm
Aflatoxin	Aflatoxin total	15 ppb

Conclusions

Based on the study of the recent reports so far, it could be concluded that due to the decrease in wheat production in wheat growing belts of India particularly Punjab and Haryana, it could limit the export of wheat in European countries in future. This is entirely due to sudden increase in temperature which restricts further growth and production in our country.

References

1. Das D K / TNN / (2022). http://timesofindia.indiatimes.com/articleshow/92964769.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst (Times of India).
2. "THE WEEK" PTI (2022).
3. Indian Ministry of Commerce and Industry, traders estimates
4. Kumari M (2022). Food Marketing and Technology
5. <https://www.tridge.com/stories/lower-indias-wheat-production-in-2022-23-could-limit-exports>