

Mandatory Stock Declaration for Wheat Extended Beyond March 31

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Pune: The Centre has indefinitely extended the stock declaration requirement for the wheat industry beyond March 31.

“The Department of Food and Public Distribution directs traders, wholesalers, retailers, big chain retailers and processors in all states and union territories to declare their stock position on the portal with effect from April 1, 2024 and thereafter every Friday till further orders,” said the order issued by the Department of Food and Public Distribution on Friday.

In June last year the government had made it mandatory for the industry to declare stocks and also imposed a stock holding limit. India has started harvesting the wheat crop, with both the government and private traders trying to procure as much wheat as possible for use till the next harvest.

According to an earlier order, issu-



ed on June 12, 2023, the Centre had imposed stock limits on wheat till March 31, 2024, “in order to manage the overall food security and to prevent hoarding and unscrupulous speculation”. The government further reduced the stock holding limit in February this year.

The latest order pertained only to extending the stock declaration. Traders and industry executives told ET that the stock holding restrictions might not be extended as wheat arrivals would increase from April.

Senior industry executives, who spoke to ET on condition of anonymity, said an extension of stock de-

claration can lead to a slowing down of private buying of wheat.

The stocks held by the government agency, Food Corporation of India (FCI), are about to hit the buffer stock levels; the minimum stock that the agency is expected to hold on a given date for ensuring food security of the country.

The agency has a target of increasing wheat procurement to 30-32 million tonnes in the 2024-25 marketing season to meet the food security requirements of the country, up about 15-20% from last year's wheat procurement of 26.2 million tonnes.

According to industry and trade veterans, it will be the first time ever that the stakeholders of the wheat industry will be subjected to a stock declaration requirement during the harvest and procurement period.

Normally, wheat processors, big corporate companies and traders tend to buy and stock more wheat during the harvest season, when the prices are the lowest.