

Wheat area rises as mkts await nod for open sale

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As owners of flour mills await the Centre's decision to liquidate part of its wheat inventories to cool atta (flour) prices, crop sowing for the marketing season that will start from April reached a new high of 34.11 million hectares during the week ended January 20.

This is 12 per cent more than the normal area and among the highest in recent years. The normal area is the average of the previous five years. But, compared to 2022, wheat acreage is just 0.38 per cent higher.

With the sowing of rabi crops almost over in most parts of the country, there is very little chance of any significant rise in area. The wheat crop sown early will start hitting the market in late February in Gujarat, with Madhya Pradesh and Rajasthan to follow.

Meanwhile, sources said a final call on the amount of wheat the Centre planned to liquidate from its stocks would be taken in a day or two and



RABI ACREAGE AT NEW HIGH

In million hectares (As on January 20)

	In million hectares			% change	
	Normal area*	2022-23	2021-22	From normal area	YoY
Wheat	30.44	34.11	33.98	12.06	0.38
Rice	4.77	3.15	2.36	-33.96	33.47
Pulses	15.02	16.41	16.37	9.25	0.24
Gram	9.88	11.09	11.26	12.25	-1.51
Oilseeds	7.88	10.81	10.04	37.18	7.67
Mustard	6.34	9.71	9.01	53.15	7.77
Total**	63.38	69.63	67.69	9.86	2.87

*Average area of last five years; **Total may not match as all crops have not been included; Source: Government of India

the price was expected to be around ₹24 per kg. This will be significantly lower than the prevailing market price of ₹30 per kg for average-quality wheat in North India.

The market expects the government to liquidate around two million tonnes

from its inventories through the Open Market Sale Scheme.

The sales could be through tenders. "It seems though all clearances for sale have been approved some modalities still needed to be worked out, and this could be delaying the process," a trader said.