

Ban on Wheat Export

For Prelims: National Food Security Act (NFSA), 2013, Pradhan Mantri Garib Kalyan Yojana (PMGKAY).

For Mains: Reasons for Banning of Export of Wheat, Current Scenario of Wheat Distribution Across India.

Why in News?

The government is **considering lifting a ban on** wheat exports and is looking at the current supply of wheat in the central pool and the distribution needs under the **National Food Security Act (NFSA)**. **2013.**

 Due to the recent discontinuation of the <u>Pradhan Mantri Garib Kalyan Yojana (PMGKAY)</u>, the overall distribution of wheat is expected to be <u>lower</u>.

What is the Current Scenario of Wheat Distribution Across the Country?

- India is the world's second-biggest wheat producer after China. But it accounts for less than 1% of the global wheat trade. It keeps a lot of it to provide subsidised food for the poor.
- Its top export markets are Bangladesh, Nepal and Sri Lanka as well as the United Arab Emirates (UAE).
- According to the <u>Food Corporation of India (FCI)</u>, wheat stocks have been decreasing at a rate of 2 million tonnes per month over the last six months and are currently the lowest in six years.
 - The government is considering lifting the ban on wheat exports once stocks are sufficient and to ensure that food security is maintained.
- The government has taken a number of measures to address concerns about low wheat procurement and rising wheat prices. These measures include:
 - Reducing wheat allocation to some states and territories, increasing the allocation of rice, <u>banning the export of broken non-basmati rice</u>, and considering open market sales to keep prices in check.
- The wheat output for the year 2023 is expected to be better than last year, which could help increase the wheat supply in the market.

What are the Reasons for the Banning of Export of Wheat?

- Price of Wheat Globally: India suspended the export of wheat in May 2022. In a
 notification published in the government gazette, the <u>Directorate General of Foreign Trade</u>
 (<u>DGFT</u>) justified the ban by giving reasons that soaring global wheat prices have put
 pressure on food security, not only in India but also in neighbouring and vulnerable
 nations.
 - However, the export will be allowed on the basis of permission granted by the Government of India to other countries to meet their food security needs and based on the request of their governments.
- Impact on Wheat Production: The ban also prompted a decrease in wheat production,

- after its production was affected by a **heatwave** that swept across the country during March-April 2022, while the FCI was **unable to accumulate adequate buffer stocks.**
- Rising Inflation: The <u>rising inflation</u> also prompted this step. The <u>Wholesale Price Index</u> (<u>WPI</u>) in India has moved up from 2.26% at the start of 2022 to 14.55 (May 2022). Retail inflation, too, hit an eight-year high of 7.79% in April, 2022 driven by rising food and fuel prices.

UPSC Civil Services Examination, Previous Year Question (PYQ)

Prelims

- Q. With reference to the provisions made under the National Food Security Act, 2013, consider the following statements: (2018)
 - 1. The families coming under the category of 'below poverty line (BPL)' only are eligible to receive subsidised food grains
 - 2. The eldest woman in a household, of age 18 years or above, shall be the head of the household for the purpose of issuance of a ration card.
 - 3. Pregnant women and lactating mothers are entitled to a 'take-home ration' of 1600 calories per day during pregnancy and for six months thereafter.

Which of the statements given above is/are correct?

- (a) 1 and 2 only
- **(b)** 2 only
- (c) 1 and 3 only
- (d) 3 only

Ans: (b)

Mains

- **Q.** Hunger and Poverty are the biggest challenges for good governance in India still today. Evaluate how far successive governments have progressed in dealing with these humongous problems. Suggest measures for improvement. **(2017)**
- **Q.** What are the reformative steps taken by the Government to make the food grain distribution system more effective? **(2019)**

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