Sharing the analysis with a farmer

I have done an analysis on the price hike of wheat in India and around the globe. The analysis consist’s of root cause analysis of the issue and factors affecting it. The main factors due to which the price of wheat soared are as follows-

1)Large exports of wheat by the government-

There is a wheat shortage around the world and India is the 2nd largest wheat producer ,therefore the world is eying for India’s wheat. The government has also set goals of exporting 10 million tons of grain in 2022-2023 .Though India can do this but it can or might have adverse effects on the supplies within the country. The growing demand for export of wheat to be exported with rising global wheat prices has steeply risen the wheat prices within the country.

2)Government’s wheat procurement-

Due to various factor’s like private purchasing of wheat, low yield, exports etc the government procurement of the wheat has decreased. . The good side is that though there was less procurement of wheat by government but more than 14 lakh farmers have been benifited directly or indirectly due to the procurement and will continue to benefit as India has targeted to procure more than 440 lakh tonne’s of wheat in 2022-2023 marketing year.

3)The heat wave-

There’s no doubt that this year’s summer is the hottest of all and it is becoming hotter every year. Rajasthan and Madhya Pradesh are the worst hit by heat wave . And these states are among the largest producers of wheat in India.

Before moving forward let’s see what is terminal heat stress on crop.

Terminal Heat Stress-

It occurs in wheat when mean temperature during grain filling stage goes above 31 Degree C.

Wheat production is affected due to terminal heat stress on the crop caused by the soaring temperature. High temperature limits the crop production. Continual heat stress on crop has affected more than a million hectares of wheat yield.

Farmer’s have been affected by this in both way’s. Though many farmers lost the yield due to heat wave but on the contrary they sold rest wheat with more price. . Mill owners , traders ,exporters etc have been procuring wheat from farmers more than MSP ,anticipating a higher price increase in prices .Even the richer farmers are themselves holding back their crops in the anticipation of prices going more high..