

No futures trading ban on any more farm products

The government is not planning to ban futures trading in more agricultural commodities, Agriculture Minister Sharad Pawar said here Monday.

Last week, the government had banned futures trading in soybean oil, potatoes, chick peas and rubber to control inflation, which has been hovering above seven percent recently.

'India does not plan to ban futures trading in more agricultural commodities. Also, this year India will not import wheat as purchases from domestic farmers have reached a record, pressing the commodity prices down,' Pawar told reporters.

India imported 1.8 million tonnes of wheat in 2007.

The production of wheat has slumped 41 percent globally, forcing private suppliers such as Cargill Inc. to shun auctions in India. This has enabled the government to make record purchases since wheat harvesting began in April, according to Food Corporation of India (FCI) officials.

The FCI is likely to have 21 million tonnes in reserves by July. This amount is sufficient to meet the demand for almost two years.

India's wheat production, second only to that of China, may climb to a record 76.8 million tonnes in the year ending June, up one million tonnes from last year, according to the government.

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