

IMPORT OF PULSES: ECONOMY

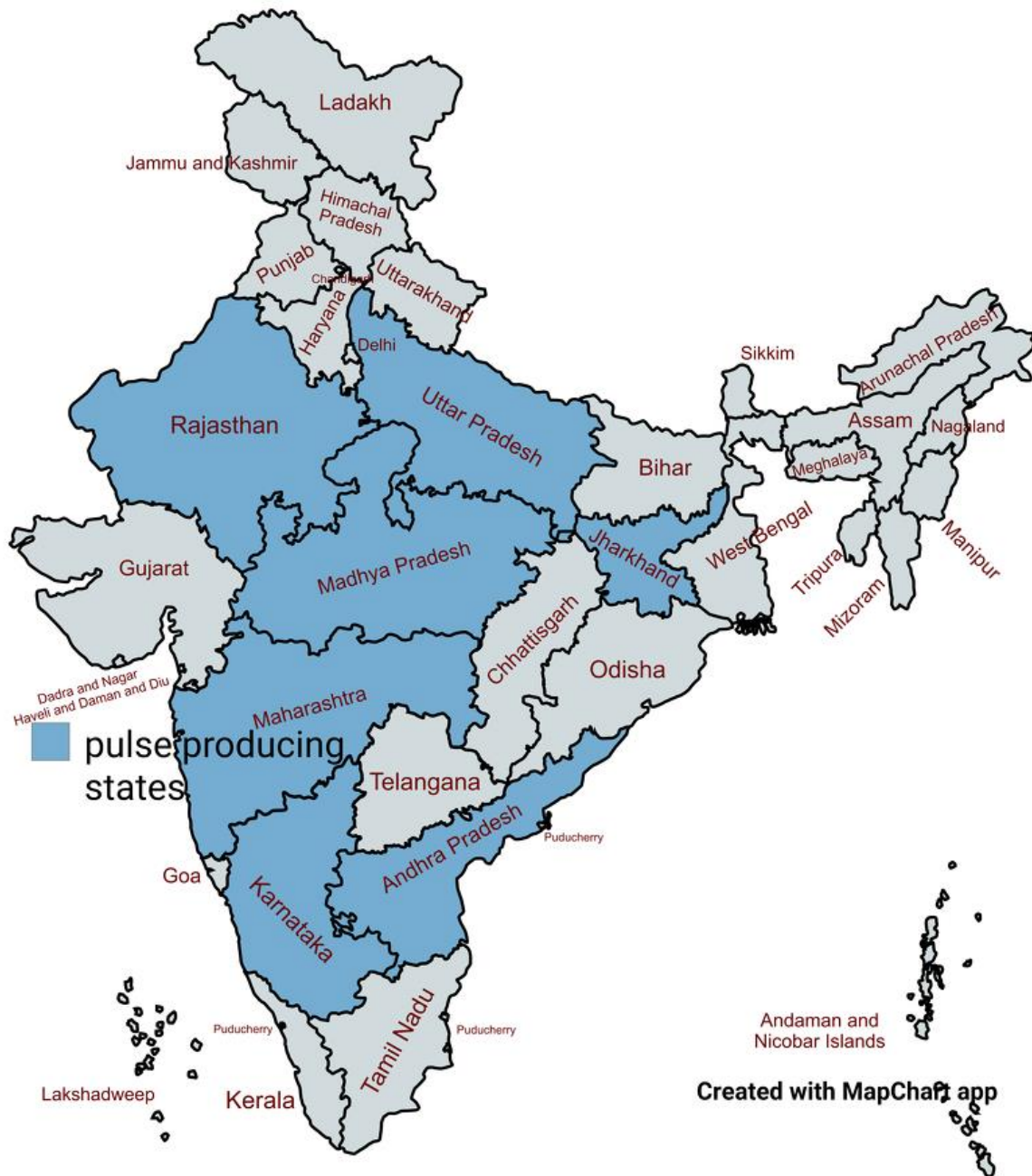
NEWS: *Govt extends free imports of yellow peas till May-end; imposes 11% duty on lentils*

WHAT'S IN THE NEWS?

India faces challenges in pulse production due to shifting cropping patterns, lower profitability, and climate issues, leading to increased reliance on imports. The government has introduced several initiatives, including the NFSM-Pulses and the Mission for Aatmanirbharta, to boost domestic production and reduce dependency on imports.

Pulses in India:

- **Temperature and Rainfall Requirements:**
 - Pulses grow best between 20-27°C.
 - They require rainfall of around 25-60 cm.
 - Preferred soil type: Sandy-loamy soil.
- **Role of Pulses in a Vegetarian Diet:**
 - Pulses are a major source of protein for vegetarians.
 - Being leguminous crops, pulses help restore soil fertility by fixing nitrogen from the air. This makes them suitable for crop rotation, though arhar (pigeon pea) is an exception.
- **Pulses Grown Throughout the Year:**
 - **Rabi Pulses:** Over 60% of pulses are grown during the Rabi season. Major crops include:
 - Gram (chickpea), Chana (Bengal gram), Masoor (lentil), Arhar (pigeon pea).
 - Rabi crops require a mild cold climate for sowing, cold conditions during vegetative to pod development, and a warm climate during maturity and harvesting.
 - **Kharif Pulses:** Grown during the Kharif season. Major crops include:
 - Moong (green gram), Urad (black gram), Tur (arhar dal).
 - Kharif pulses require a warm climate throughout their life cycle.



Recent Government Policies on Pulse Imports

- **Duty-Free Import Policies:**
 - The government allowed duty-free imports of yellow peas from December 2023 to February 2025 but has now reimposed the duty.
 - Duty-free import for pigeon peas (tur) has been extended until March 31, 2026.

- The government is still awaiting a decision on chickpeas (chana) and black gram (urad).
- The Ministry of Food has recommended reimposing customs duty on lentils, but no notification has been issued yet.
- **Impact of Duty-Free Imports on the Domestic Market:**
 - **Increased Imports:** India imported 6.63 million tonnes of pulses in 2024, compared to 3.31 million tonnes in 2023.
 - **Falling Domestic Prices:** Prices of pulses in India have fallen below the Minimum Support Price (MSP) due to increased imports. Examples:
 - Urad prices dropped by 25% from over ₹100/kg since June 2024.
 - Pigeon pea (tur) prices fell from \$1,400/tonne to \$800/tonne in mid-2024.
 - Yellow peas prices fell from \$700/tonne to \$450/tonne when duty-free imports were allowed.
- **Impact on Foreign Farmers:**
 - Australian and Canadian farmers benefited from the increased export of pulses.
 - Example: Australian farmers earned ₹160/kg for chickpeas, while Indian farmers earned ₹100/kg.
- **Impact on Domestic Farmers:**
 - Lower prices discourage Indian farmers from growing pulses, which can impact the country's self-sufficiency in food production.
 - Some farmers may switch to other crops like maize, driven by increasing demand for ethanol production.

Reasons Behind India's Dependence on Pulse Imports

- **Shifting Cropping Patterns:**
 - There has been a shift from traditional pulse cultivation to water-intensive cereals like rice and wheat.
 - Factors contributing to this shift:
 - Rice and wheat are staple foods in India.
 - Government incentives like higher MSP and assured procurement for these cereals.
 - Availability of better irrigation facilities.
- **Lower Profitability of Pulses:**
 - Pulses offer lower returns per hectare compared to cereals, discouraging farmers from growing them on fertile or irrigated land.
- **Climate Challenges:**
 - Pulses, which are generally rain-fed crops, face challenges from erratic rainfall and droughts, negatively affecting production.
- **Limited Technological Advancements:**
 - Compared to cereals and cash crops, research and development in pulses is limited. Pulses are more susceptible to diseases and pests.

India's Initiatives to Boost Pulses Production

1. National Food Security Mission (NFSM)-Pulses:

- Led by the Department of Agriculture & Farmers Welfare.
- Operates in 28 States and 2 Union Territories, including Jammu & Kashmir and Ladakh.
- Key Interventions:
 - Assistance to farmers through states/UTs for various activities.
 - Demonstrations of cropping systems.
 - Seed production and distribution of high-yielding varieties (HYVs) and hybrids.
 - Establishment of 150 Seed Hubs to improve the availability of quality seeds.

2. Pradhan Mantri Annadata Aay Sanrakshana Abhiyan (PM-AASHA) Scheme:

- Comprises three components:
 - **Price Support Scheme (PSS):** Procurement from registered farmers at MSP.
 - **Price Deficiency Payment Scheme (PDPS):** Compensates farmers for price differences.
 - **Private Procurement Stockist Scheme (PPSS):** Encourages private sector participation in procurement.

3. Mission for Aatmanirbharta (Self-reliance) in Pulses:

- Announced in Budget 2025, a 6-year mission focusing on Tur, Urad, and Masoor pulses.
- Key Focus Areas:
 - Development and commercialization of climate-resilient seeds.
 - Enhancing protein content in pulses.
 - Increasing productivity.
 - Improving post-harvest storage and management.
 - Ensuring remunerative prices for farmers.
- Rs 1,000 crore allocated for MSP-based procurement and post-harvest storage solutions.

4. ICAR's Role in Research and Development:

- ICAR focuses on basic and strategic research in pulses.
- Collaborative research with State Agricultural Universities to develop location-specific, high-yielding varieties.
- From 2014 to 2023, 343 high-yielding varieties of pulses have been officially recognized for commercial cultivation.

Way Forward: A Balanced Approach

• Imposing Customs Duties on Pulses:

- There is an urgent need to curb imports of chickpeas and lentils to protect domestic farmers.

- A moderate duty on pulses can help stabilize prices while preventing excessive dependence on imports.
- **Import Quotas for Future Stability:**
 - Instead of a blanket duty-free policy, the government should consider setting import quotas and adjusting duties based on domestic production estimates.
- **Stakeholder Consultation for Long-term Policy:**
 - Engaging farmers, traders, and policymakers in creating a stable pulse import policy to ensure long-term sustainability and fair prices.
- **Supporting Farmers with MSP and Procurement:**
 - Strengthening procurement mechanisms to ensure farmers receive prices above MSP.
 - Promoting pulse cultivation with incentives and improved storage facilities.

Source: <https://www.thehindubusinessline.com/economy/agri-business/govt-extends-free-imports-of-yellow-peas-till-may-end-imposes-11-duty-on-lentils/article69306134.ece>