

Discussion on Desi & Kabuli Chickpeas

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Sunil Kumar Singh, Addl. MD, NAFED

Chickpeas: The King of Pulses

- Chickpeas constitute almost 45% of India's Pulse production.
- Production rose from 7.06MMT to 10.90MMT in last five years.
- Highest inventory with Nafed for consecutive three years, due to heavy procurements under PSS.
- Was holding approximately 1.5MMT of previous seasons, prior to current procurement of 2.05MMT.
- Ruling market rate during arrival of Rabi-20 in the range of Rs. 3800-4000Per qtl., purchases made at Minimum Support Price of Rs. 4875Per qtl.

Policy Decisions

- Govt. of India announced distribution of 1Kg. of pulses to 19.50 Million households under Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) for 3 months (April to June, 2020).
- Further distribution of 1Kg. Chickpeas Whole to Migrant Work Force for May & June, 2020.
- Extends the PMGKAY upto November, 2020, with distribution of 1Kg. Chickpeas Whole.
- Nafed, the distributing agency, utilizing approximately 1.5 MMT of Chickpeas Whole, under PMGKAY.

Other Institutional Consumption

- Additional demand from the State Governments, following the benefit of the Pilot Scheme of Release of Discounted Pulses and PMGKAY.
- 14 States and UTs had availed release from Discounted Pulses Scheme, many have opted for continuance. Chickpeas, the preferred Pulse.
- Additional requirement for MDM, ICDS, Army and Para Military Forces.
- Transfer to National Buffer.
- Expected to consume around 30% of the present holding stock.
- With concurrent open market sale, expected NIL carry over stock of Chickpeas for the next season.

Impact of Policy Decisions

- Institutional Exit Mechanism providing stable market environment, present Nafed sale rate in the range of Rs.4350-4500 per qtl., against market rate of Rs. 3800-4000 per qtl. at harvest time.
- Meeting the nutritional requirement of NFSA beneficiaries , i.e. 19.50 Million households, 800 million population.
- Heading towards the permanency of distribution of pulses under State/Central Schemes.

Boost for Consumption & Production of Chickpeas

- The suitability of Chickpeas whole for distribution amongst needy population, a major factor.
- Additional captive demand of around 2.5MMT, to encourage farmers to grow more.
- Stable price regime and release of procured stock under PSS not needed for open market release.
- Immense scope for enhancement in production of Chickpeas thereby adding to self-sufficiency of pulses, with domestic captive demand.

Impact of Agri Reforms on Pulses Trade

- With removal of stock limits under ECA, buoyed interest of Stockists, Traders and Millers expected.
- With strengthening of rural infrastructure and warehousing finance, including trading on electronic portals, farmers distress likely to ease.
- COVID-19 has established additional demand for pulses and its related products, thereby enhancing the raw pulses demand
- A golden opportunity for investment in India's pulses industry, both for secondary agriculture and milling & processing.

Thank You