

PIB NEWS ANALYSIS

Centre imposes stock limits on tur and chana, including kabuli chana, until 30th September, 2024

In order to prevent hoarding and unscrupulous speculation, and also to improve affordability to the consumers in respect of tur and chana, Government of India has issued an order where it has imposed stock limits on pulses applicable to wholesalers, retailers, big chain retailers, millers and importers. The Removal of Licensing Requirements, Stock Limits and Movement Restrictions on Specified Foodstuffs (Amendment) Order, 2024 has been issued with immediate effect from today i.e. 21st June, 2024.

Under this order, stock limits have been prescribed for tur and chana, including kabuli chana, until 30th September, 2024 for all States and Union Territories. Stock limits applicable to each of the pulse individually will be 200 MT for wholesalers; 5 MT for retailers; 5 MT at each retail outlet and 200 MT at depot for big chain retailers; last 3 months of production or 25% of annual installed capacity, whichever is higher, for the millers. In respect of importers, the importers are not to hold imported stock beyond 45 days from the date of Customs clearance. The respective legal entities are to declare the stock position on the portal (<https://fcainfoweb.nic.in/psp>) of Department of Consumer Affairs and in case the stocks held by them are higher than the prescribed limits then, they shall bring the same to the prescribed stock limits by 12th July, 2024.

The imposition of stock limits on tur and chana is a part of slew of measures taken by the Government to crackdown on prices of essential commodities. The Department of Consumer Affairs had been closely monitoring the stock position of pulses through stock disclosure portal. The Department had, in first week of April, 2024 communicated State Governments to enforce mandatory stock disclosure by all stockholding entities, which was followed up with visits to major pulses producing States and trading hubs across the country from last week of April to 10th May, 2024. Separate meetings with traders, stockists, dealers, importers, millers and bigchain retailers were also held to encourage and sensitize them for truthful disclosure of stocks and maintaining affordability of pulses for the consumers.

It may be recalled that the Government had reduced import duty of 66% on desi chana w.e.f. 4th May, 2024 in order to augment the domestic production. The duty reduction has facilitated imports and elicit higher sowing of chana in major producing countries. As per report, chana production in Australia is estimated to increase from 5 lakh tons in 2023-24 to 11 lakh tons in 2024-25 which is expected to be available from October, 2024 onward.

Sowing of Kharif pulses like tur and urad are expected to increase significantly in this season due to high price realization by farmer and above-normal monsoon rains predicted by IMD.

Further, import of current year crop of tur from East African countries are expected to arrive from August, 2024 onward.

These factors are expected to help in bringing down the prices of Kharif pulses like tur and urad in the coming month. Arrival new crop of chana in Australia and its availability for import from October, 2024 will help in maintaining availability of chana to the consumers at affordable prices.