

## GROWER NEWSLETTER

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**India to have chickpea deficit in 2024**

**In this month's issue:**

- Imported peas easing prices in India
- Large Russian crop

**GET IN TOUCH WITH US**

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### Will India Ease Pea/Chickpea Import Policy in 2024?



### PEA SHIPMENTS STARTED ARRIVING IN INDIA

Indian government removed all restrictions (tariff and non-tariff) on import of peas in early December after a gap of six years. The notification allowed unrestricted imports until March 31st, 2024 and the traders got into action straightaway. Prices climbed sharply at all origins and destinations alike. Moreover, it impacted the prices for other pulse crops (desi chickpeas, lentils, pigeon peas etcetera) in India and in many of the origins, including Australia.

Few bulk vessels have already made their voyage to Indian shores and multiple others are loading in Canada and Russia. We expect traders to be able to ship and clear half a million metric tonnes of cargo before the deadline and there is a possibility that this to be 700,000 MT. These supplies will help ease Indian balance sheet for desi chickpea and peas combined and mitigate some of the crop losses expected this season.

Though the disturbances in Red Sea have made the voyage for Russian peas longer and expensive, Indian imports will still be large. If the normal trade route (between Europe and Asia) through Suez Canal resumes, pea shipments for India can be executed by first half of February, keeping the prices elevated for few more weeks.

Big question after this policy change is whether India will extend the deadline further and will it allow duty free import of chickpeas this year. Let's explore the further...

## ACREAGE CUT FOR INDIAN CHICKPEAS

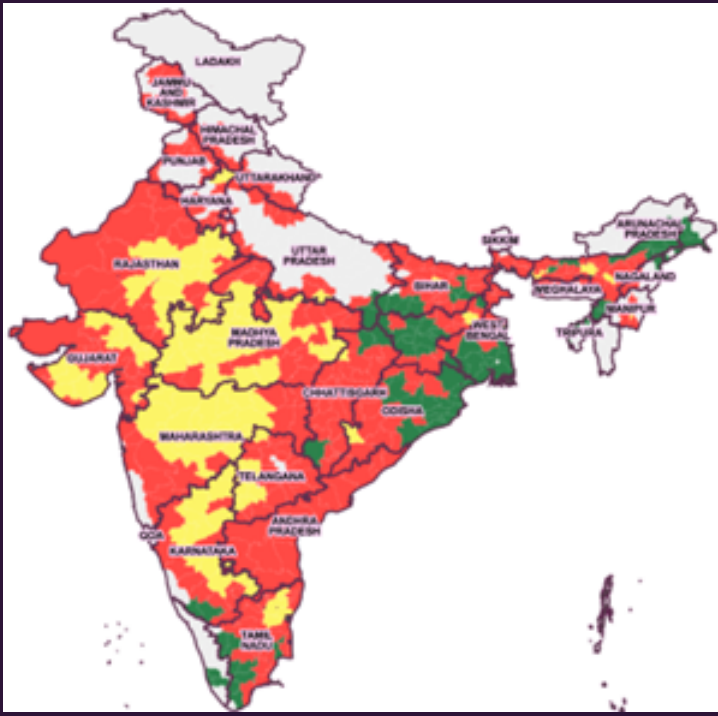
Indian farmers have nearly completed their Rabi (winter season) seeding campaign. Acreage for chickpeas stand at 20 million hectares as on Jan 05, 2024; 7% lower than last year and 8% lower than the year before.

By early January, chickpea planting is almost 95% over in the country and this year will be no exception. At the current rate, final Indian chickpea acreage is likely to be cut by 7-8% from the past two years.

The soil moisture situation is worrisome in many of the chickpea growing areas of the country, and if rains do not materialize in Jan-Feb, it will start impacting the yields.

Indian government would be concerned about the production shortfall in 2024, as the NAFED stocks are also running thin after open market sales and retail sales as 'Bharat Dal' and to replenish the stocks, authorities will be aggressive in their procurement from the farmers.

## Indian Crops Under Stress



## RUSSIAN CROP

Rosstat released its 2023 crop production figures last week and published a record volume of pulses. The agriculture powerhouse produced 6 million metric tonnes of pulses, 29% higher than the last season and a massive 59% more than the five years' average.

Bulk of the Russian production is peas, and if we extrapolate historical figures, Russian production last year was massive 4.6+ MMT. This will keep the demand of China, India and the European Union fed in 2024.

Prices out of Russia have already started declining after the December surge and after January, we expect it to decline further, in absence of fresh Indian demand. After shipments to India are over, the traditional buyers like China, Spain, Italy, Türkiye, Pakistan and Bangladesh will have enough supply from Russia.

### Russian Pulses Production (million metric tonnes)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Legumes	2.192	2.354	2.940	4.262	3.436	3.344	3.446	3.839	4.606	5.946
Peas	1.501	1.715	2.198	3.286	2.304	2.369	2.740	3.168	3.616	
Others	0.691	0.639	0.742	0.977	1.131	0.975	0.706	0.671	0.990	

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