

Ahead of harvest, pulses trade below MSP

Ahead of what promises to be a bumper crop of pulses, wholesale prices across major markets in the country have gone below the government-declared Minimum Selling Price (MSP). Market sources rule out any drastic price rise in pulses as demand is expected to remain low for the next few quarters. For the present kharif season,



India has reported plantation of pulse on over 119.59 lakh hectares, an increase from 114.77 lakh hectares the previous season. Moong bean has seen the highest increase from 27.54 lakh hectares last year to 32.13 lakh hectares this season. Barring moong, all other crops have shown single digit rise in acreages. Farmers in Maharashtra and Madhya Pradesh have reported some damage to their harvest-ready crop due to the torrential rains towards the end of August. Across mandis wholesale prices have been correcting themselves even as the harvest is yet to hit the market. In case of Moong, prices have shown a sharp correction in August, which has dampened the chances of any drastic price rise in immediate future. Back in July, the average price of moong beans across the country was Rs 7,271.05 per quintal, which corrected to Rs 6,646.34 in August. Further correction, traders say, can not be ruled out once the crop starts hitting the market. For the present season, the MSP of moong is Rs 7,196, which traders say, seems difficult to reach. Nitin Kalantari, a prominent dal trader and miller in Latur district of Maharashtra, said the pulse will trade below its MSP for most of the season. As against the 1.5 lakh tonnes quota allocated for imports, traders in India have managed to ship in only about 80,000-90,000 tonnes. "International prices were higher than domestic prices and it made no sense to import the pulse," he said.. Similarly, another short-duration pulse, urad, which is expected to hit the markets in September, has shown a downward slide just before the arrival of the new crop. In July, the average traded price of urad was Rs 6,344.38 per quintal, which corrected to Rs 5,891.1 per quintal in August. Just about 1 lakh tonnes of the allocated 4 lakh tonnes import quota has arrived in the country. Tur, another major kharif pulse, is also expected to trade below its MSP of Rs 6,000 per quintal.

Traders point to the general slowdown in the market for their pessimistic outlook. They said that during the lockdown, domestic households had stocked up their supplies and the same is expected to last for some more time. Also, slowdown in the hotel catering and restaurant business, the traders said, would affect price realization in the season.

Source: [Indian express, September 03, 2020](#) (verbatim reproduced)