

Pulses Import reaches six-year high

STRATEGIC MANAGEMENT AND ECONOMIC ADVISORY DIVISION

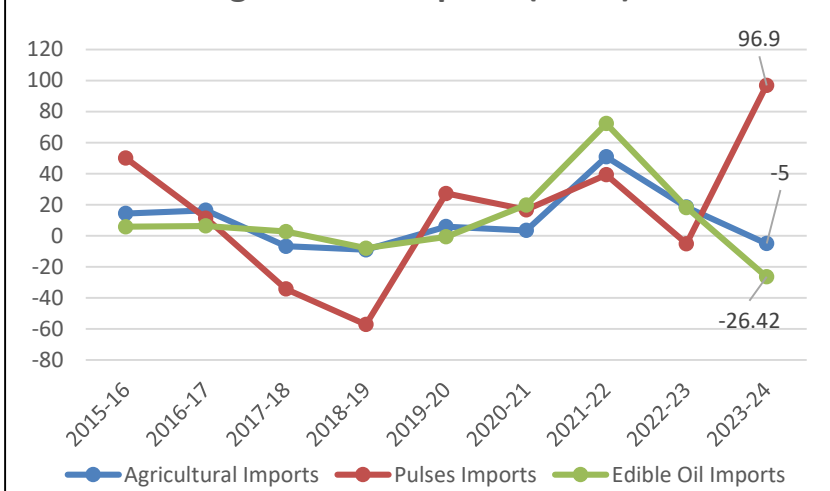
Pulses Import reaches six-year high in FY 24 with YoY growth of 96.9%

Values in Rs. Billion

Top Agri-Import Items	2019-20	2020-21	2021-22	2022-23	2023-24	CAGR
Vegetable oils	685.58	821.23	1415.32	1672.70	1230.79	12%
Fresh Fruits	141.37	157.65	183.42	199.58	226.64	10%
Pulses	102.21	119.38	166.28	157.81	310.72	25%
Spices	101.87	80.71	96.85	106.95	120.51	3%
Rubber	49.27	46.20	77.03	75.14	61.18	4%
Raw Cotton	93.71	28.61	41.69	115.06	49.47	-12%
Total (all other agri and allied products)	1542.79	1596.32	2408.42	2855.00	2712.12	12%

- In FY 2023-24, India's **agricultural import bill** amounted to **Rs. 2712.12 billion**, compared to Rs. 2854.99 billion in the previous fiscal year, marking a **decline of 26.42%**.
- Vegetable oil** accounted for the **largest share** of agricultural imports at **45.38%**, followed by **pulses**, which constituted **11.46%** of the total agricultural imports for FY 2023-24.
- Despite the overall decline in agricultural imports, driven primarily by a decrease in edible oil imports, the **import of pulses surged to a six-year high**, reflecting a year-on-year increase of **96.9%**.
- This increase in pulse imports can be attributed to several factors like:

Agricultural Imports (YoY%)

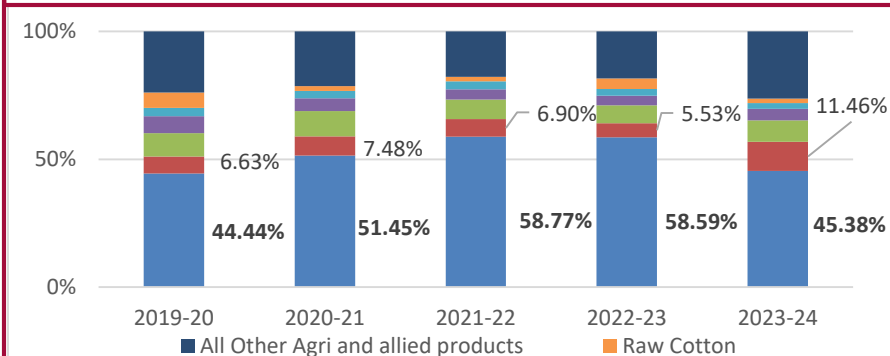


- Adverse weather conditions, particularly **erratic climatic conditions** in key pulses producing regions, resulted in lower domestic production of pulses.
- Considerable **reduction in the pulses sowing area**, which has decreased by 16% over the past two years.
- Moreover, **scraping of import taxes** on pulses further incentivized imports to meet domestic demand.

- The **inflation rate for pulses grew by 15.18%** in FY 2023-24, with the **inflation rate for tur dal** specifically increasing by a **substantial 33.37%**. This rise in pulses inflation has also contributed to the broader issue of food inflation within the country.

- To address the challenge of rising food inflation and to achieve price stabilization, it is imperative that India strives for self-sufficiency in pulse production. By enhancing domestic production capabilities and reducing reliance on imports, India can mitigate the impact of price fluctuations and reduce its agricultural import bill.

Share of India's top agri-import items in Total Agricultural Imports (%)



Data Source: CMIE