

Govt announces 7% export incentive for chana

BY JAYASHREE BHOSALE, ET BUREAU | MAR 22, 2018

Pune: Government of India today announced 7% export incentives for Bengal Gram (chana) today under the Merchandise Export from India Scheme (MEIS) for a period of three months till June 20, 2018. This follows increase in import duty on Kabuli Chana to 60% on Wednesday.

Bengal gram (chana), a rabi crop is being harvested in the key growing states of Madhya Pradesh, Maharashtra, Karnataka and Rajasthan. Though, the export incentives may not help in export of substantial quantities of chana, trade thinks that the move will help to cap the downward fall in prices.

Traders were expecting chana prices, which are ruling at about Rs 3400/quintal as against the MSP of Rs 4400/quintal, to fall to Rs 3000/quintal.

"If prices fall further from the current level, exports can become feasible with the 7% incentives under MEIS. This will help to cap the downward fall in prices," said Nitin Kalantry, a pulses processors from Maharashtra.

Suresh Agarwal, president, All India Dal Millers Association said, "Chana production is expected to be higher by 20 lakh tonne over previous year. The government will decide price of superior quality chana and give 7% incentive on the basis of this price."

Agarwal said that for the farmers to get the MSP for chana, at least 25 lakh tonne chana needs to go out of the country.

Earlier, government had increased import duty on kabuli chana to 60% on Wednesday. Price of kabul chana, which was ruling at Rs 9000/quintal to Rs 10,000/quintal previous year, has declined to Rs 6000/quintal to Rs 7000/quintal.

Now the pulses trade is looking forward to the impact of the Bhavantar Bhugtan Yojana of Madhya Pradesh, which will be implemented soon.

Source: <https://economictimes.indiatimes.com/markets/commodities/news/govt-announces-7-export-incentive-for-chana/printarticle/63418440.cms>