

**Voluntary Report** – Voluntary - Public Distribution

**Date:** May 25, 2021

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## **Report Name:** India - Food Inflation Concerns Lead to the Removal of Import Restrictions on Select Pulses

**Country:** India

**Post:** New Delhi

**Report Category:** Agricultural Situation, Policy and Program Announcements, Agriculture in the Economy, Agriculture in the News, Climate Change/Global Warming/Food Security, FAIRS Subject Report, Grain and Feed, SP1 - Expand International Marketing Opportunities, SP2 - Prevent or Resolve Barriers to Trade that Hinder U.S. Food and Agricultural Exports, Trade Policy Monitoring

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### **Report Highlights:**

On May 15, 2021, India's Ministry of Commerce and Industry issued Notification S.O. 1858 (E), which was officially published in the Gazette of India (eGazette). The notification amends the import policy for select pulses (i.e., pigeon peas (*Cajanus cajan*), mung beans (*Vigna radiata*), and urad/black gram lentil (*Vigna mungo*), specifically removing these select pulses from the restricted list and placing them on the free list. The notification authorizes the unrestricted import of consignments with bills of lading issued on or before October 31, 2021 and cleared by Indian Customs before November 30, 2021. The measure removes quantitative import volume restrictions on these commodities.

**DISCLAIMER:** The information contained in this report is from India's Ministry of Commerce and Industry's (MOCI) Notification S.O. 1858 (E) of May 15, 2021. The U.S. Embassy in New Delhi – Foreign Agricultural Service (FAS) Office of Agricultural Affairs (OAA), USDA and/or the U.S. government make no claim of accuracy or authenticity. The Government of India has not officially endorsed this report. Import approval for any product is subject to local rules and regulations as interpreted by Indian officials at the time of product entry.

## **GENERAL INFORMATION:**

On May 15, 2021, India's Ministry of Commerce and Industry issued Notification S.O. 1858 (E), which was officially published in the [Gazette of India \(eGazette\)](#) (see, Appendix I). The notification amends the import policy for select pulses (i.e., pigeon peas (*Cajanus cajan*), mung beans (*Vigna radiata*), and urad/black gram lentil (*Vigna mungo*), specifically removing these select pulses from the restricted list and placing them on its free-to-import list for a specified period. The notification authorizes the unrestricted import of consignments with bills of lading issued on or before October 31, 2021 and cleared by Indian Customs before November 30, 2021. The measure removes quantitative import volume restrictions on these commodities.

**Ministry:** India's Ministry of Commerce and Industry.

**Date of Announcement:** May 15, 2021.

**Products effected:** Pigeon peas (*Cajanus cajan*) harmonized systems (HS) code 0713.6000, mung beans (*Vigna radiata*) HS 0713.3190, and urad/black gram lentil (*Vigna mungo*) HS 0713.3110.

**Date of Enforcement:** Import consignment with bill of lading issued on or before October 31, 2021, with the import consignment cleared by customs before November 30, 2021.

Prior to the May 15 notification, the import of these three pulses, along with peas (HS 0713.10) which includes green, yellow, and Dun (Dundale) peas, were on India's restricted list. All were subject to specific Indian fiscal year (IFY April-March) import quota volumes. The Indian government determines import quota volumes based on the local supply and demand situation. Green, yellow, and Dun peas currently remain on India's restricted list; the government has not yet announced IFY 2021/2022 import quota volumes.

FAS New Delhi (Post) sources report that the Indian government lifted the import quota restriction for pigeon peas, mung beans, urad/black gram lentil due to food price inflation concerns. In allowing for imports, the government intends to force traders that have been allegedly hoarding stocks, and benefitting from rising prices, to release greater stock volumes to help lower prices. The import opportunity window extends for about six months, benefitting consignments with bills of lading dated May 15 through October 31, 2021. All consignments must clear Indian Customs by November 30, 2021. India's domestic pulse harvest occurs in October/November.

Post finds that prices for pigeon peas and urad/black gram lentils are now 15 and 23 percent higher than last year prices (table 1). May 2021 spot prices for pigeon peas and urad/black lentils are now significantly higher than the government’s minimum support price (MSP) of Indian rupees (INR) 60,000 (\$822) per metric ton (MT). While price increases for mung beans is not too significant, the government is nonetheless easing imports of the three select *kharif* season pulses, whose domestic plantings commence in June with the onset of the monsoon (mid-to-late June).

**Table 1: India, Wholesale Prices and Minimum Support Prices (MSP) of Select Pulses**

<b>Commodity</b>	<b>May 2020</b>	<b>May 2021</b>	<b>MSP</b>
Tur ( <i>Cajanus cajan</i> )	57,113	70,056	60,000
Urad ( <i>Vigna mungo</i> )	65,945	75,882	60,000
Moong ( <i>Vigna radiata</i> )	76,149	73,835	71,960
Gram/Chickpea ( <i>Cicer arietinum</i> )	48,365	52,692	51,000

Note: Average prices paid in the major Indian states in rupees per metric ton.

Source: Government of India - [AgMarkNet](#), [Directorate of Economics and Statistics](#), and the Ministry of Agriculture and Farmers Welfare. FAS New Delhi Office Research.

**APPENDIX I: INDIA - MINISTRY OF COMMERCE AND INDUSTRY\ DEPARTMENT OF COMMERCE NOTIFICATION S.O. 1858 (E)**

**MINISTRY OF COMMERCE AND INDUSTRY**

**(Department of Commerce)**

**NOTIFICATION**

New Delhi, the 15th May 2021

**S.O. 1858(E).**—In exercise of powers conferred by section 3 read with section 5 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992), read with paragraphs 1.02 and 2.01 of the Foreign Trade Policy, 2015-2020, as amended from time to time, the Central Government, in supersession of Notification No.19/2015-20 dated 5th August, 2017; Notification No.22/2015-2020 dated 21st August, 2017; Notification S.O. 1266(E) dated 19th March, 2021; and Notification S.O. 1372(E) dated 26th March, 2021, hereby amends the import policy of the following items of Chapter 7 of ITC (HS), 2017, Schedule – I (Import Policy) with immediate effect and for the period up to 31st October 2021, as under:

Exim Code	Item Description	Existing Import Policy	Revised Import policy
0713 60 00	Tur /Pigeon Peas (Cajanus Cajan)	Restricted	Free
0713 31 90	Moong [Beans of the SPP Vigna Radiata (L.) Wilczek]	Restricted	Free
0713 3110	Urad [Beans of the SPP Vigna Mungo (L.) Hepper]	Restricted	Free

2. Further, for import of the above-mentioned three items, Bill of Lading should be issued on or before 31st October, 2021 and import of such consignment shall need to be cleared from Customs on or before 30th November, 2021.

3. **Effect of the Notification:** Import policy for Tur /Pigeon Peas (Cajanus Cajan); Moong [Beans of the SPP Vigna Radiata (L.) Wilczek] and Urad [Beans of the SPP Vigna Mungo (L.) Hepper] is revised from "Restricted" to "Free" with immediate effect and for the period up to 31st October 2021. Further, import consignments of these items with Bill of Lading issued on or before 31st October, 2021 shall not be allowed by Customs beyond 30th November 2021.

[F. No. 14/1/2021-EP(Agri-III)]

DIWAKAR NATH MISRA, Jt. Secy.

**Attachments:**

No Attachments.