

2. Secretary of Agriculture, Mr. M.S. Dayal, New Delhi

In the afternoon, we had a formal meeting with M.T. Dayal, Special Secretary, Ministry of Agriculture, Dr. B.M. Sharma, Joint Commissioner (Pulses), Ministry of Agriculture, and Dr. K.R. Rao, Senior Processing Technologist, Technology Mission on Oilseeds and Pulses.

Total pulse production estimated at 14 million tonnes of which 5 million tonnes are chickpeas (40%) and 2.8 million (25%) tonnes of pigeon peas. Other major crops include lentils and peas. The total pulse production is expected to be approximately 14 million tonnes this year.

Indian production is divided into rabi (winter) and kharif (summer). Production is primarily on the poorer non-irrigated land. Average yields are 600 kg/hectare. Pulses are not given a high priority. Officials are expecting a bumper pulse crop this year. Expectations were for a large rabi crop this year.

The national pulse program includes the IARI, the Pulses Directorate at Kanpur, extension and financial assistance to promote production. Input cost subsidization may go up to Rs 6 or 7 per kg of seed with priority placed on marginal farms of very small size. Pulses are largely non-irrigated, on marginal lands, are given lowest priority and produce on average 600 kg/ha.

Exports are not restricted but a license is required (in fact this would likely relate to a restriction if exports were threatening domestic supply). The Finance Ministry sets the import duty. The Ministry of Agriculture determines support prices. India is moving toward a more liberalized import system. A 10% duty was considered negligible.

Support price for pulses is 6700 Rs/ or approximately \$US 210 per tonne. If prices go below this, NAFED steps in to support price. The Ministry of Finance sets the support price on an annual basis. Support price is set annually with cost of production a major factor in determination.

Whole lentil (30-32 mg class), dehulled (35 mg +) and split (< 25 mg) are considered to be separate market classes with independent price structures.

Dr. Rao had expertise in the processing end, reporting a 65 % splitting efficiency, adding 40 % to the market price. Currently, large mills were reported to be lying idle due to high taxes at the state level. Small millers were able to avoid taxes.