

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
(DEPARTMENT OF COMMERCE)

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 526**  
ANSWERED ON 26/07/2024

**ILLICIT IMPORT OF ARECANUTS**

526. DR. DHARMASTHALA VEERENDRA HEGGADE:

Will the Minister of COMMERCE & INDUSTRY be pleased to state:

- (a) whether Government is aware of illicit import of arecanuts into the country through air/sea and land ports, if so, the details thereof;
- (b) the action taken to prevent imports through deceptive methods;
- (c) the details of seizure of arecanuts attempted to be illegally imported or being smuggled effected through airports and air cargo during the last three years;
- (d) the steps taken to restrict the illegal import of arecanuts into the country and to protect the interest of the arecanut growers of the country, including Karnataka; and
- (e) the details of import and export of arecanuts into the country during the last three years?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY  
(SHRI JITIN PRASADA)

(a)to(c) The details of total seizure of Arecanut effected by Customs field formations and DRI during the last three Financial Years (FY) and current FY (upto first Quarter) are as follows:

<b>Financial Year</b>	<b>No. of Cases (Total)</b>	<b>Quantity seized (in MTs) (Total)</b>
2021-22	260	3,388.40
2022-23	454	3,400.30
2023-24	643	12,881.82
2024-25 (Upto June 2024)	84	3,009.04

(Source: Central Board of Indirect Taxes and Customs, Department of Revenue)

The Customs Field Formations and Directorate of Revenue Intelligence (DRI) under Central Board of Indirect Taxes and Customs (CBIC) as well as State Commercial Tax Departments keep constant vigil for illicit transportation of arecanuts in to India through air/sea and land ports and take appropriate actions as per the provisions of law to prevent imports through adoption of various deceptive methods.

The details of seizure of Arecanut effected by Customs field formaton and DRI at Airports and Air Cargo during the last three FYs and current FY (upto first Quarter) are as follows:

Financial Year	No. of Cases	Quantity seized (in KGs)	Value (in Rs. Crores)
2021-22	04	15,296	0.52
2022-23	12	14,188	0.56
2023-24	03	2,166	0.11
2024-25 (Upto June 2024)	03	10,000	0.47

(Source: Central Board of Indirect Taxes and Customs, Department of Revenue)

(d) Government of India have taken the following measures to restrict the illegal import of Arecanut into the country and to protect the interest of the Arecanut growers:

- (i) Import of Arecanut is discouraged by imposing import duty @100% which is the Bound Rate of Duty.
- (ii) Recently, Government of India have revised the Minimum Import Price (MIP) of Arecanuts (under ITC HS Code:080280 from Rs.251/- per Kg to Rs. 351/- per Kg to curb the unabated import of Arecanut into Indian market and destabilizing the domestic prices. Further, the MIP condition (Rs.351/-Kg) has been made applicable for the HS Code 21069030 – “Betelnut product known as Supari” to prevent the misutilization of this HS code to import Arecanut (ITC HS Code 080280), evading the conditions of MIP and import duty, that is, Import of such products have been “prohibited” if Cost, Insurance and Freight (CIF) value is less than Rs.351/- per Kg. The MIP condition shall not be applicable for imports by 100% Export Oriented Units (EOUs) and units in the SEZs subject to the condition that no Domestic Tariff Area (DTA) sale is allowed.
- (iii) Stringent adherence of quality standards by field offices of Food Safety Standards Authority of India (FSSAI) before clearing the import consignments.
- (iv) Checking of ‘Rules of Origin’ by customs to ensure that Arecanut grown in countries other than SAARC is not imported through our neighboring countries taking advantage of import duty exemption under trade agreements.
- (v) The Directorate of Arecanut and Spices Development (DASD) had facilitated in getting quality parameters for Arecanut standardized through BIS (IS 16962:2018 Areca Nut-Specifications), to restrict low quality Arecanut being imported into the country.
- (vi) CBIC periodically revises the Tariff Value under Section 14 of the Customs Act, 1962 for import of A.recanut. The Tariff Value is presently at US\$6242 per Metric Ton (CBIC Notification No.49/2024-Customs (N.T.) dated 15-07-2024).

(e) The details of import and export of Arecanut (HS Code 080280) in India year-wise is at <https://tradedat.commerce.gov.in/eidb/default.asp>

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