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

LOK SABHA STARRED QUESTION NO. 39 TO BE ANSWERED ON 18th DECEMBER, 2017

IMPORT PRICE OF ARECA NUTS

*39. ADV. NARENDRA KESHAV SAWAIKAR:

Will the Minister of **COMMERCE & INDUSTRY** (विणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the Government has recently enhanced the base import price of Areca nuts;
- (b) if so, the details thereof;
- (c) whether the said increase in import price of Areca nuts has not given the desired benefits to the Areca nut farmers; and
- (d) if so, the reasons therefor along with the measures being contemplated by the Government to help the Areca nut growers?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

a) to d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 39 FOR ANSWER ON 18th DECEMBER, 2017 REGARDING "IMPORT PRICE OF ARECA NUTS"

(a) & (b): The Minimum Import Price (MIP) on areca nut has been revised from Rs 162/- per kilogram to Rs 251/- per kilogram vide Notification No.35/2015-20 dated 17th January, 2017

(c) & (d): The increase in import price of areca nut has benefitted the areca nut farmers as may be seen from the following table depicting the monthly average price of areca nut.

Table 1. Monthly average price of Areca nut (dry) in Kozhikode and Sagar (Price: Rs/quintal)

	Kozhikode		Sagar (ShimogaDistt. of Karnataka)	
Month	2016-17	2017-18	2016-17	2017-18
April	19500	20600	26347	44454
May	19250	19375	24809	41214
June	18250	18000	22997	38051
July	19300	19125	24178	41416
August	19000	19300	25192	40502
September	19000	19125	25797	37899
October	13500	19250	27270	36599
November	13500	19833	27492	
December	13500		26613	
January	15000		26044	
February	17125		27019	
March	19500		35049	
Mean	17202	19541	26567	40019

(Source: Directorate of Areca nut& Spices Development)

Thus, the price of areca nut had ruled at Rs.195/kg in April 2016 in Kozhikode market and ended at Rs.135/kg by the end of 2016 December. After the fixation of MIP, the prices of Areca nut increased to Rs150/kg in January 2017 and then to Rs.195/kg in March 2017. In Sagar also, the price of areca nut increased from Rs.266/kg in December 2016 to Rs.350/kg in March 2017 after fixation of MIP on areca nut. Thus increase in the import price of areca nuts has resulted into benefits for Areca nut growers.

Further, with the increase in MIP from Rs.110/- to Rs.162/- vide Notification No.10/2015-2020 dated 8th June, 2015 and subsequently to Rs.251/- vide Notification No.35/2015-2020 dated 17th January, 2017, imports have seen a declining trend as may be seen from the following Table:

Year	Quantity (tonnes)	Value (Rs in lakhs)
2014-15	50036	68235
2015-16	45190	72221
2016-17	16151	28628
2017-18 (April to August)	7620	19528

(Source : Directorate of Areca nut& Spices Development)
