

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 5627**  
**TO BE ANSWERED ON 02<sup>nd</sup> APRIL, 2018**

**COMMERCIAL CROPS**

5627. PROF. SAUGATA ROY

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

- (a) the details of reasons for the steep fall in prices of various commercial crops;
- (b) whether the reduction in import duty is likely to affect almost all commercial crops cultivation in the country;
- (c) if so, the details thereof; and
- (d) the steps taken by the Government so far to ensure the cost of production to commercial crops?

**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) The prices of commercial crops, like other agricultural products, depend on several factors such as demand & supply situation (both domestic and international), trade policies of major consumer and producer countries, quality, prices of alternatives/substitutes etc.
- (b & c) The rates of import duties on agricultural products are fixed keeping in mind the interests of consumers as well as the domestic producers. At present, there is no proposal for reducing the import duty on any of the major commercial crops. In fact, the Government has increased the import duty on Natural Rubber to protect the interests of domestic producers.
- (d) The Government takes all possible steps to ensure that the prices of commercial crops cover the cost of production. For instance, in the case of Natural Rubber, the Government has increased import duty and imposed port restrictions (imports allowed only from Chennai and NhavaSheva) to protect the interests of domestic producers. The Tea Board declares the monthly district-wise minimum benchmark green leaf price, based on auction average of CTC teas. The government also announces Minimum Support Price for commercial crops like Cotton and Jute.

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