

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

LOK SABHA
UNSTARRED QUESTION NO. 2164
ANSWERED ON 02/08/2023

IMPORT OF ARECANUT

2164. SHRI NALIN KUMAR KATEEL:

SHRIMATI SUMALATHA AMBAREESH:

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

- (a) whether it is true that there has been a steady increase in the import of arecanut from Myanmar, Sri Lanka and Indonesia in the last nearly two years;
- (b) if so, whether the Government has taken steps to impose Minimum Import Price (MIP) to safeguard domestic farmers and if so, the details thereof and if not reasons therefor;
- (c) whether it is true that the government has not imported arecanut from Bhutan in the last four years, including the current financial year and if so, the details thereof;
- (d) whether it is also true that the Government has in July 2023 issued a circular to import arecanut from Bhutan every year and if so, the details thereof; and
- (e) whether the Government has taken note of the concern expressed by domestic arecanut growers and if so, the response of the Government in this regard?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SMT. ANUPRIYA PATEL)

(a): There has been an increase in the import of arecanuts in the last two years from Myanmar, Sri Lanka and Indonesia.

(b): Considering the increase in import of arecanuts into the country, the Government has raised the Minimum Import Price (MIP) of arecanut under ITC(HS) 080280 from Rs. 251/- per kg. to Rs. 351/- per kg. vide Notification No. 57/2015-2020 dated 14th February, 2023 so as to safeguard the interest of domestic farmers. Further, the import policy of Supari under ITC(HS) 21069030 is revised from 'free' to

“prohibited” and import of Supari is ‘free’ if CIF value is Rs. 351/- or above per kilogram vide the said Notification. The MIP conditions 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 sale is allowed.

(c) & (d): Yes, Sir. There has been no import of arecanut from Bhutan during the last four years. As per the Notification No. 36/2015-2020 dated 28th September, 2022 read with Notification No. 17/2023 dated 3rd July, 2023 issued by the Government, import of 17,000 MT of fresh (green) arecanut from Bhutan has been allowed every year without MIP condition and such imports are allowed only through LCS Jaigaon (INJIGB) and LCS Chamurchi (INCHMB) and such imports are subject to a valid port-specific Registration Certificate issued by the Directorate General of Foreign Trade (DGFT).

(e): Based on various representations received from domestic farmers and farmers’ organizations, the Government has taken the following measures to restrict the unabated imports of arecanut and to prevent entry of inferior quality arecanut into Indian market destabilizing the domestic prices:-

- (i) Import of arecanut is discouraged by imposing import duty @ 100% which is the Bound Rate of Duty.
- (ii) Import of arecanut and Supari is ‘free’ if CIF value is equal or above the MIP value of Rs. 351/- per kg. and ‘prohibited’ if CIF value is less than Rs. 351/- per kg.
- (iii) Stringent adherence of quality standards by field offices of 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 neighbouring countries taking advantage of import duty exemption under trade agreements.
