

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:5387  
ANSWERED ON:28.04.2003  
PRICE STABILIZATION SCHEME FOR ARECANUT AND COCONUT  
P.C. THOMAS

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether Price Stabilization Scheme declared for some plantation crops like Rubber, Tea and Coffee is likely to be extended to agricultural produces like Arecanut and Coconut;
- (b) if so, the details thereof and if not, the reasons therefore;
- (c) the features of the scheme; and
- (d) the steps taken by the Government to give better price of Arecanut and Coconut to farmers?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a) & (b): To stabilize prices of arecanut, a horticultural product and localised in nature, the Government has covered it under the Market Intervention Scheme (MIS), while copra/processed coconut being an oilseed of tree origin is covered under the Minimum Support Price (MSP) Scheme.

(c): The Market Intervention Scheme is implemented for a given period where a fixed quantity of a commodity under conditions of glut is purchased at a pre-determined price based on the cost of production and market prices. Losses, if any, are shared equally between the central and the state Government. MSP on the other hand helps to stabilize prices by undertaking price support operations through central designated agency in the event of market prices falling below the MSP level.

(d): The Government of India has implemented MIS for procurement of arecanut in Karnataka and Andaman and Nicobar Islands during 2002-2003. A proposal of the Government of Kerala was also received during 2002-03. The State Government has been requested to furnish additional information. A proposal from A & N Administration has also been received for implementing MIS for arecanut during 2003-2004 which is under consideration. For copra the Government fixes MSP on an annual basis.