

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:7230
ANSWERED ON:12.05.2000
DECLINE IN PRICES OF TOBACCO
DUMPA MARY VIJAYAKUMARI;M. JAGANNATH;MALYALA RAJIAH;PUTTASWAMY GOWDA

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

- (a) whether there has been a sharp decline in the prices of tobacco during the last three years ;
- (b) if so, the details thereof and the reasons therefor ;
- (c) whether the tobacco growers delegation from all the country, particularly from Karnataka and Andhra Pradesh had submitted their memorandum to the Union Government urging remunerative prices of tobacco ; and
- (d) if so, the reaction of the Union Government thereto ?

Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)

a) & b) : Average prices realised by farmers of Andhra Pradesh and Karnataka during the last 3 years are :

Average Prices realised (Rs/Kg)

Year Andhra Pradesh Karnataka

1997	40.00	48.95
1998	40.12	34.47
1999	34.85	42.07

The price trend has been mixed. Declines have occurred due to supply exceeding domestic and international demand.

(c) & (d) : Farmers have made representations for remunerative prices. Government has encouraged crop sizes based on projected domestic and international demand, curbing excess production and through market intervention when deemed necessary.