

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

UNSTARRED QUESTION NO:3040
ANSWERED ON:29.11.2010
PROBLEMS OF CASH CROP GROWERS
Sampath Shri Anirudhan

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

- (a) whether the Government has constituted any Committee to study the problems of production and export of the cash crops;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor; and
- (d) the measures being taken by the Government to ensure the price stability of the cash crops?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (d): Government has constituted a Task Force chaired by Shri N. Rangachari, former Chairman, CBDT and IRDA for undertaking a study to evolve a mechanism to protect the growers of tea, coffee, rubber and spices from the adverse effects of price volatility in the Plantation Sector. Government has established a Price Stabilization Fund Trust (PSFT) with the objective of safeguarding the interest of growers of tea, coffee, rubber & tobacco and provide financial relief when prices fall below a specified level without resorting to procurement operations by Government Agencies. The prices, which are governed by market forces, are currently favourable to the growers.