

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:4699
ANSWERED ON:12.08.2014
MSP FOR ARECANUT
Yeddyurappa Shri B. S.

Will the Minister of AGRICULTURE be pleased to state:

- (a) the details of the plantation crops for which the support price is declared by the Government including arecanut;
- (b) whether the Government is aware that arecanut growers in Karnataka are in distress due to low support price; and
- (c) if so, the steps taken by the Government to provide them adequate support price and better market for their produce?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (DR. SANJEEV KUMAR BALYAN)

(a): Among plantation crops, coconut is the only crop covered under Minimum Support Price (MSP) Scheme.

(b) & (c): Arecanut is not covered under MSP, but covered under Market Intervention Scheme (MIS), which is implemented on the request of State Governments for procurement of perishable and horticultural commodities in the event of fall in market prices. The Scheme is implemented when there is at least 10% increase in production or 10% decrease in the ruling rates over the previous normal year. Proposal of MIS is approved on the specific request of State/UT Government, if the State/UT Government is ready to bear 50% loss (25% in case of North-Eastern States), if any, incurred on its implementation.

The prices of agriculture commodities, including arecanut depends on various factors like production, demand, consumer preferences, purchasing power, etc. Details of Annual Average price of arecanut in the Sagar market of Karnataka for the last two years and the current year are as under:

(Rs. per quintal)
2012-13 2013-14 2014-15#
Annual Average Price 12755 14169 23000
#refers to average prices from April to July, 2014.