

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

LOK SABHA
UNSTARRED QUESTION NO. 1753
TO BE ANSWERED ON 21st SEPTEMBER, 2020

PLANTATION SECTOR

1753. SHRI ANUMULA REVANTH REDDY:

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

- (a) whether the Government is aware that the Plantation Sector is going through a stressful period as this sector is not receiving remunerative prices especially in South India and if so, the corrective measures taken by the Government in this regard;
- (b) whether it is true that due to curtailed budgetary allocation to commodity boards, there is a substantial amount outstanding to growers towards approved schemes of these boards;
- (c) if so, the details thereof and the corrective steps taken by the Government to clear the arrears; and
- (d) the effective steps taken by the Government to encourage Plantation sector in the country?

ANSWER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a): Along with other sectors, the plantation sector has also been adversely affected due to the outbreak of COVID-19 pandemic.

While there has been some loss of tea production due to the lockdown during COVID-19, it has brought down the oversupply situation in the market, which may help the Industry through a rise in average price realization of made tea. During the current year 2020-21 (Apr-Aug), the all India tea auction prices have improved by Rs. 67.72 per Kg over last year (45.62% growth), while South India has improved by Rs. 25.42 over the last year (25.56% growth). The prices and quality of tea are regularly monitored for the overall welfare of the tea Industry.

Coffee prices depend on global market factors. The domestic purchase prices of coffee are linked to international coffee price movements. As per the International Coffee organization (ICO), the average ICO composite indicator price declined to 100.52 US cents/lb during 2019 compared to 127.31 cents/lb in 2016. However, in the last two months coffee prices are showing an upward trend, reaching 114.78 cents/lb in August 2020. The

Coffee Board through the Integrated Coffee Development Project, provides technical and financial support to the coffee sector, for improving the competitiveness of Indian Coffee in the International market.

Natural Rubber (NR) prices remained above Rs.130 per kg (RSS4 grade) during initial months of 2020, and have shown a declining trend during the lockdown period. Subsequently, the prices have stabilized and have shown an upward trend from August 2020, reaching Rs.133 per kg in September, 2020. For ensuring remunerative prices for rubber growers, the Government had increased the duty on import of dry rubber from “20% or Rs.30 per kg whichever is lower” to “25% or Rs.30 per kg whichever is lower” w.e.f. 30.4.2015 and reduced the period of utilization of imported dry rubber under the advance licensing scheme from 18 to 6 months.

The average price of Cardamom (Small) after COVID lockdown has shown an upward trend from Rs. 1502.19 per kg in the month of June to Rs. 1683.13 per kg in the month of August, 2020. In order to support cardamom farmers, the Spices Board has restarted the e-auction for cardamom, and has enabled online issuance of various certificates, extension of time limits of various returns, holding virtual buyer seller meets etc. The Spices Board has conducted a series of campaigns in the major cardamom growing areas to popularize Integrated Pest Management (IPM) practices among cardamom growers and promote the use of bio-control agents for managing pests and diseases in cardamom.

(b) to (d): Budgetary releases of Rs.705.21 Cr. were made to the commodity boards in 2019-20. The Budget allocation of the Boards for the year 2020-21 is Rs.766.34 Cr. As such there is no reduction in budget allocation during the current financial year. The Medium Term Framework (MTF) (2017-18 to 2019-20) Schemes have been extended till 31st March, 2021.

Further, Government has taken various initiatives through the individual Commodity Boards to encourage plantation sector by way of providing financial and technical assistance to the growers and the industry for new planting, re-planting, rejuvenation, quality up-gradation, value addition and market promotion through the schemes implemented by the these Boards under MTF.
