

[17 August, 2000]

RAJYA SABHA

**Prices of agricultural products**

2653. SHRI A. VIJAYA RAGHAVAN: Will the Minister of AGRICULTURE be pleased to state:

(a) the details regarding the prices of coconut, rubber, cardamom, pepper, tea and coffee during the period from June, 1995 to June, 2000;

(b) what are the steps taken by Government to ensure a remunerative price for the agricultural products;

(c) whether Government have taken any steps to arrest the fall of the prices of agricultural products; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI S.B.P.B.K. SATYANARAYANA RAO):

(a) The annual average wholesale prices of copra, rubber, cardamom, pepper, tea and coffee from June, 1995 to June, 2000 are annexed as statement (See below).

(b) to (d) In order to arrest the decline in prices and to ensure remunerative prices for these Agricultural Commodities, the Government have taken the following steps:—

COPRA: Copra is covered under Minimum Support Price (MSP) Scheme and NAFED as on 8.8.2000 had procured 78,260 tonnes of milling copra growing states under price support scheme. Further purchases are still continuing. A basic custom duty of 35% have also been levied on imports of copra.

RUBBER: To stabilise the declining prices of Natural Rubber, the Government of India through STC procured 40,514 tonnes of Natural Rubber since August, 1997 to-date on Government account. Purchases are still continuing. To enhance the consumption of indigenous rubber, Government has imposed a ban on import of Natural Rubber under the Advance License Scheme w.e.f. 20.2.1999. The Government has revised Bench-Mark price of Natural Rubber in September, 1998. To discourage indiscriminate import of used/retreated tyres, the Government has enhanced the c.i.f. value per tyre. To promote the demand of rubber in the country, inter alia,

**excise duty on articles of rubber has been reduced from 24% to 16% CENVAT.**

**CARDAMOM:** The average prices of cardamom have shown an increasing trend over the five year period. Further the Spices Board has introduced an auction system where the cardamom growers can get better prices for their produce. The Board has set up a Cardamom Development Fund which supports the cardamom growers in the adverse situation. The Spices Board also keeps a watch on the smuggling of cardamom for improving the domestic prices of cardamom.

**PEPPER:** The average prices of pepper are steadily increasing during the last five years. The domestic prices of pepper are higher than the international prices which have resulted in a decline in export of pepper during the current season. Pepper attracts a basic customs duty of 35%.

**TEA:** To resolve the problems of low prices a Price Subsidy Scheme is being implemented through the Tea Board w.e.f 1.5.2000. The Basic Customs Duty on Import of tea has been increased from 15% to 35%. The sale of tea in the Domestic Tariff Area by 100% Export Oriented Units (EOUs) and Units in Export Processing Zone (EPZs) has been banned w.e.f. 20.7.2000.

**COFFEE:** The domestic prices of coffee of both the varieties are higher than the international prices. The Government of India through Coffee Board, besides operating several plan schemes and developmental activities, have also been providing necessary support in the form of agricultural research, extension, arrangement of credit and finance, and supply of seeds for planting purposes. Board is also encouraging to produce speciality coffee which fetches attractive premium in developed countries.

## Statement

*Annual average coholesale prices**(Rs. Per Quintal)*

| Year | Copra       | Rubber     | Cardamom | Pepper      | Tea         | Coffee      |         |
|------|-------------|------------|----------|-------------|-------------|-------------|---------|
|      | (Kozhikode) | (Kottayam) | (Kochi)  | (Kozhikode) | (All India) | (Bangalore) |         |
|      |             |            |          |             |             | Arabica     | Robusta |
| 1995 | 2385        | 5059       | 23417    | 7400        | 4800        | 11800       | 9800    |
| 1996 | 3104        | 5122       | 31750    | 7217        | 4900        | 10400       | 7400    |
| 1997 | 3675        | 3988       | 30792    | 14517       | 6700        | 15300       | 7600    |
| 1998 | 3146        | 3013       | 39375    | 18683       | 7600        | 13000       | 8300    |
| 1999 | 3805        | 2997       | 50750    | 19054       | 7300        | 11500       | 7900    |
| 2000 | 2825        | 3180       | 57500    | 20833       | 6000        | 10028       | 5525    |

January  
to June)**Farmer's Welfare fund in Maharashtra**

2654. SHRI SURYABHAN PATIL VAHADANE: Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Maharashtra Government have requested Government for the constitution of a Farmer's Welfare Fund in the State for providing compensation to farmers in case of crop failure due to excess rain, hailstorm and lack of rain in time etc. in the State; and

(b) if so, the details thereof and the action Government propose to take in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI S.B.P.B.K. SATYANARAYANA RAO):

(a) No, Sir.

(b) Does not arise.