

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2359
ANSWERED ON:13.03.2006
DECLINE IN PRICES OF PEPPER
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Will the Minister of AGRICULTURE be pleased to state:

- (a) the adverse effect of Indo-Srilankan accord especially in the pepper, cardamom, arecanuts and other cash crops;
- (b) whether the prices of pepper have declined due to this import policy; and
- (c) the measures taken by the Government to assist the pepper cultivators?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a): No authentic information is available about any adverse effect of Indo-Srilankan accord.

(b): Price of black pepper has shown a declining trend since 2000-01. The price which ruled at Rs 20,450 per quintal during 1999-2000 gradually declined to the level of Rs 6581 per quintal in 2004-05. Pepper is mainly an exported oriented commodity, international markets determine the price. Since 2000-01, the production scenario has changed due to increase in production in majority of the traditional producing countries. Among them, Vietnam and Jakarta have contributed significantly. Production of pepper in India during 2003-04 and 2004-05 was moderately higher than the production recorded in the preceding year. The excess supply production in the world market and high price level of Indian pepper, compared to other countries put pressure on pepper price. As a result the price of pepper in both domestic and international market has drastically come down.

(c): The government implements Market intervention scheme at specific request of the state governments in event of fall in prices. To make Indian pepper more competitive and to increase its production/productivity, several development programmes are being implemented under the National Horticulture Mission such as, area expansion, integrated pest management, organic farming, transfer of technology programmes, production of nucleus planting materials of high yielding and export oriented varieties and their further multiplication and distribution through State department nurseries and dissemination of technical information through seminars, workshops and training programmes.