

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2825
ANSWERED ON:03.09.2007
FALL IN PRICES OF ARECANUT
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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the steep fall in prices has pushed arecanut farmers in the country, particularly Karnataka into debt trap;
- (b) if so, the details thereof; and
- (c) the remedial steps taken/being taken by the Government to rescue the arecanut farmers?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a)&(b): Annual average Wholesale Price Index (WPI) for arecanut (with base 1993-94=100) was 163.9 for the country as a whole during the year 2006 which shows an increasing trend and reached 165.7 by the week ending 11th August 2007. The Wholesale Prices of arecanut in Mangalore Market (Karnataka) for `new supari variety` for the year 2006-07 was Rs.7376/- per quintal, which, however, has fallen to Rs.6974/- per quintal in June 2007.

(c) Consistent increase in area under arecanut and its production in the country and particularly in Karnataka from 1998-99 onwards on the one hand and limited growth in its domestic consumption have their impact on prices. Government of India is exploring the possibility of developing technologies for enhancing the pharmaceutical, industrial and cosmetic uses of arecanut.