

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2325

ANSWERED ON:21.07.2009

PROCUREMENT OF ARECANUT

Gowda Shri D.V. Sadananda;Raghavendra Shri B. Y.

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Union Government has received a request from the Government of Karnataka to permit procurement of Red Variety Arecanut under the Market Intervention scheme and also extend the time limit for its procurement;

(b) if so, the details thereof and the action taken thereon;

(c) the measures taken by the Union Government to protect the interests of arecanut growers in the country including Karnataka;

(d) whether the Union Government proposes to intervene and protect the interest of arecanut growers in the country including Karnataka and proposes to purchase arecanut directly from the farmers; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) & (b): Yes, Madam. A proposal of Government of Karnataka was received in the Department on 28-01-2009 for procurement of 10,000 tons of arecanut (6000 tons for white and 4000 red variety) under Market Intervention Scheme (MIS). As per the guidelines of MIS, a Committee constituted for the said purpose, approved the proposal of State Government, in its meeting held on 27-02-2009 for procurement from 01-03-2009 to 31-03-2009. Thereafter, on the specific request of State Government, the procurement period was further extended upto 30-04-2009 and thereafter upto 30-06-2009. However, the request of Government of Karnataka for procurement of 1.08 lakh MT (total production) of arecanut under MIS could not be acceded to as the existing guidelines of MIS does not permit more than 10% of the total estimated production. No proposal of the Karnataka Government is pending in this regard.

(c) to (e): In order to provide guaranteed price to the growers, the Department of Agriculture & Cooperation is implementing Market Intervention Scheme (MIS) for procurement of agricultural and horticultural commodities, including arecanut which are perishable in nature and not covered under Minimum Support Price (MSP) scheme, throughout the country. The MIS is implemented on the specific request of State Government in a situation where the prices of these commodities rule below the economic level. Like any other commodity under MIS, the interest of arecanut growers is also protected by providing a minimum guaranteed price. The procurement price under MIS is decided by a committee in consultation with State Government and other stake holders. Under MIS, the procurement is undertaken by the central and state agencies from farmers.