

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 1556
ANSWERED ON 09/12/2025

LEAST DEVELOPED EXPORTING COUNTRIES

1556. SHRI CAPTAIN BRIJESH CHOWTA

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

- (a) whether the Government is aware that large-scale import of areca nut from Least Developed Exporting Countries (LDECs) at zero customs duty under existing trade agreements is adversely impacting domestic areca growers, particularly in Karnataka, if so, the details thereof,
- (b) the quantum of areca nut imported from LDECs during the last three years, year-wise and country-wise;
- (c) whether the Government has undertaken any impact assessment on how such duty-free imports are affecting prices, farmer incomes, and market stability in major areca-growing regions;
- (d) whether the Government proposes to review the zero-duty benefit for areca nut imports from LDECs or introduce safeguards to protect domestic farmers, if so, the details thereof, and
- (e) the measures being taken to curb misdeclaration, smuggling and routing of areca nut through LDECs to exploit duty exemptions?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री जितिन प्रसाद)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a) & (b) : The quantity and value of arecanut imported from Least Developed Exporting Countries (LDECs) during the last three years is as given below:

Country	2022-23		2023-24		2024-25	
	Quantity (in Tons)	Value (in Rs. Crores)	Quantity (in Tons)	Value (in Rs. Crores)	Quantity (in Tons)	Value (in Rs. Crores)
Bangladesh	10	0.29	2946	110.38	12155	447.76
Myanmar	32,228	883.10	3636	129.60	7569	278.24
Bhutan	---	---	156	0.43	1436	3.89
Sub total	32238	883.39	6738	240.41	21160	729.89

Source: Directorate of Arecanut & Spices Development, Calicut, a subordinate office under Ministry of Agriculture and Farmers Welfare.

The quantity of arecanut imported from LDECs (Bangladesh, Myanmar and Bhutan) during 2024-25 was 21,160 tonnes, which accounted for only about 1.5% of our domestic production of 14 lakh tonnes. Moreover, imports from LDECs have declined from 32,238 tonnes in 2022-23 to 21,160 tonnes in 2024-25, mainly due to the revision of the Minimum Import Price (MIP) from ₹251 per Kg. to ₹351 per Kg. in February 2023.

(c) to (e) As per the data available with the Directorate of Arecanut and Spices Development, a subordinate office under Ministry of Agriculture and Farmers Welfare, the annual average price of arecanut during the last four years has remained above ₹40,000 per quintal and has not shown any significant decline. Further, the Government has raised the Minimum Import Price (MIP) of arecanut from Rs. 251/- per Kg. to Rs. 351/- per Kg. in February, 2023 to safeguard the interest of domestic farmers, restrict the imports, prevent entry of inferior quality arecanut into the domestic market and check destabilization of the domestic prices.

The Central Board of Excise & Customs has been verifying the 'Rules of Origin' to ensure that arecanut produced in countries not covered under the Duty-Free Tariff Preference (DFTP) Scheme is not imported through countries with DFTP, taking advantage of import duty exemption under trade agreements. Further, the Customs Field Formations and Directorate of Revenue Intelligence (DRI) under Central Board of Indirect Taxes & Customs (CBIC) keep constant vigil for illicit transportation of arecanut into India through air/sea and land ports and take appropriate action as per the provisions of extant laws to prevent illegal imports.
