

## IMPACT OF THE CAMPCO ON ARECANUT MARKET

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Arecanut is one of the important commercial crops of India. It plays a prominent role in the religious, social and cultural life of our people, irrespective of caste or social status. Although the production of arecanut is localised in a few states, the commercial product is widely distributed all over the country and is consumed by all classes of people. It is estimated that nearly 4 million people in India are engaged in the production, processing and trade of arecanut.

Arecanut is grown principally in the hot and humid regions of India. Bangladesh, Srilanka, Malaysia and to a smaller extent, in Burma.

According to the available statistics, India is the largest arecanut producing country in the world. As also in other producing countries, the crop is cultivated in India mostly in small home-stead gardens. The chief pockets of production of arecanut in India are distributed in the States of Kerala, Karnataka and Assam where it is grown extensively and, to a smaller extent, in Maharashtra, Tamil Nadu, West Bengal and Meghalaya. In these producing areas, in particular, in Kerala, Karnataka and Assam, arecanut forms an important cash crop of the local people.

India has been traditionally an arecanut growing country. At the time of the partition of the country in 1947, nearly 50% of the total area under arecanut was in the East Bengal region (now Bangladesh). Since the production was insufficient to meet the local demand large quantities of arecanuts were imported from other producing countries like Srilanka, Malaysia etc. The annual import of arecanut was at one time (i.e. in 1951-52) as high as 50,600 tonnes valued at Rs. 557 lakhs. Since the unrestricted import of arecanuts was found to have a depressing effect on the development of the crop, the Government of India fixed quantitative and monetary ceilings on the imports and also levied import duty since 1951. Simultaneously, intensive efforts

were made to increase production within the country. Due to the implementation of a number of developmental measures by the State and Central Governments, the production in almost all the producing States increased stage by stage and imports were gradually reduced. The imports were a mere 136 tonnes valued at Rs. 1 lakh in 1967-68.

The present arecanut production in India is about 1.80 lakh tonnes. In this, Karnataka and Kerala States contribute about 38% each. Assam about 12% and the remaining by Maharashtra, Goa, Tamilnadu and West Bengal.

The restricted import policy followed by the country and subsequent stoppage of imports enabled the arecanut growers to get economical price for their produce for a number of years and this acted as an incentive for further increase in production. However, towards the end of 1971, there were indications of a fall in prices of arecanut. The situation became worse during 1972 and, towards the end of the year, arecanut prices were reduced to nearly half of what they were during 1969-70. Cost of various inputs required for production of arecanut continued to go up and also the cost of living thereby adding hardships to the grower. This created panic among the cultivators of especially Kerala and Karnataka states who made various representations to their Governments for finding a solution to this problem. The growers started organising themselves and growers' associations held conferences at different places to discuss these difficulties in public.

As a result of it the arecanut growers of the two States of Karnataka and Kerala, with the timely help of the two State Governments promoted. The Central Arecanut Marketing and Processing Cooperative Ltd. in 1973 to take up the marketing of arecanut. The main object of the Central Arecanut Marketing and Processing Cooperative Ltd., popularly called as the CAMPCO is to procure arecanut from growers at reasonable price

and supply the same to the consumers minimising the number of middlemen and their margins. The other objects are to undertake research on diversified and alternative uses of arecanut, distribute fertilisers and pesticides to the growers and render other assistance to them.

The CAMPCO was registered in July 1973 and it entered into the market in November 1973. The CAMPCO succeeded in reviving the market within a very short time and by January 1974, the market reached the pre-fall level. It has succeeded in stabilising the market and narrowing down the gap between the producer and the consumer. The CAMPCO has 16 procuring centres in different parts of Karnataka and Kerala states. It has procured arecanut worth Rs. 3.59 crores in 1973-74, Rs. 5.67 crores in 1974-75, Rs. 7.98 crores in 1975-76 and Rs. 13.39 crores in 1976-77. It proposes to procure arecanut worth Rs. 17.00 crores in 1977-78 and gradually, increase its procurement so as to reach its target of procurement of 50% of the total arecanut production of the two States.

The CAMPCO has, at present, four sales depots at Bombay, Hubli, Madras and Madurai and has appointed a number of selling representatives distributed throughout the country. It is exporting arecanuts to Nepal and to South African countries.

It proposes to open a few more procuring centres and a number of sales depots throughout the country to procure and market arecanut.

Arecanut is being consumed mostly by middle class and lower middle class people. The CAMPCO has to play the dual role of maintaining the market rate at the consuming level, and offer the growers the maximum price by bringing down the expenses and margins between the grower and the consumer.

A project has been taken up in collaboration with the Karnataka State Agricultural Marketing Board and Indian Council of Agricultural Research to get research conducted on alternative uses of arecanut, through the appropriate research institutions of the country.

The CAMPCO is getting finance for its marketing operations from different commercial Banks paying interest at a rate equal to the Banks' lending rates to other private parties.

The CAMPCO has succeeded in improving and maintaining a price level for arecanut reasonable to the farmer as well as to the consumer and also developing a healthy competition in arecanut trading.

#### NUT POWER

The power hungry world is reaching into every available resource to keep going. The Philippines hopes to tap a very uncommon source—coconuts. The wastes from coconut processing will be used to fuel power plants. The wastes will be processed under heat to provide combustible gases which will be used to drive steam turbines. Power plants are to be set up at the end of nut processing lines. A pilot plant of 1.5 megawatts is being set up at a small town, Infanta, and it is expected to become operational this year. The 6.5 million tonnes of wastes of the coconut processing industry are equivalent to 2 million tonnes of diesel fuel. And what's more interesting is that nut power is clean.

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