

# Business Standard

## High prices boost forest produce trade, says Chhattisgarh minister

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The Chhattisgarh government's decision to increase prices of minor forest produce has helped the state to be among the top-rankers in procurement, a state minister has claimed.

According to Chhattisgarh Forest Minister Mohammed Akbar, the state —with about 44 per cent of its geographical area covered by forest cover — is the only state in the country where 52 types of minor forest produce are purchased at a support price. He attributes the achievement to the government's decision to pay the best price for the yield.

"In the past three years, Chhattisgarh procured 74 per cent of the country's minor forest produce," Akbar said.

The Bhupesh Baghel government has increased the minimum support price of major forest produce, allowing forest dwellers to increase their earnings and get better prices. The state government has increased by 60 per cent the rate of tendu leaf from Rs 2,500 per standard bag to Rs 4,000. This has helped about 1.2 million tendu leaf collector families in the state receive additional wages of Rs 225 crore per year as well as additional bonus of Rs 232 crore.

According to the data available with the Chhattisgarh state minor forest produce cooperative federation, tendu leaves worth Rs 1,000 crore were procured in the last season. The federation purchased other produce worth Rs 750 crore.

The Chhattisgarh government has increased the support price of mahua from Rs 17 to Rs 30 per kg and tamarind from Rs 25 per to Rs 36 per kg. With the increase in support price for the other produce, over 500,000 rural families would be benefitted. Akbar said the state policy had not only revived the lives of forest dwellers but also made minor forest produce a valuable product.

Before the state government revised the price, the dwellers were not getting a reasonable price. The state now wishes to add value to the produce so that people could get more income.

It has launched Vananchal (forest) project for establishing small forest produce-based industries in the forest area. The project will also ensure direct and indirect employment to local youths. The government has offered attractive incentives for the investors.

A state government spokesperson said 15 entrepreneurs had so far submitted proposals entailing an investment of

Rs 75 crore for setting up various types of forest produce based industries in Vananchal areas.

Source: [https://www.business-standard.com/article/economy-policy/high-prices-boost-forest-produce-trade-says-chhattisgarh-minister-122071900003\\_1.html](https://www.business-standard.com/article/economy-policy/high-prices-boost-forest-produce-trade-says-chhattisgarh-minister-122071900003_1.html)