



KAMARAJ IAS ACADEMY
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Apple Production in India

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Why is in news? The removal of additional retaliatory duties for import of US apples will not result in any negative impact on domestic apple producers

With the decision of **resolution of six outstanding World Trade Organisation (WTO) disputes** between US and India through mutually agreed solutions as jointly communicated during the official state visit of the Prime Minister to the USA, **India will remove additional duties on eight US products**, including apples, leading to restoration of market access for Indian steel and aluminum exports to the US.

The decision **will not result in any negative impact on domestic apple producers** and will result in competition in premium market segment ensuring better quality at better prices for consumers.

After removal of this duty, the apples from the US would compete on level playing field with other countries.

The decision **will ensure that only premium quality apples** could be imported for which there exists a specific market segment and specific demand.

An **additional 20% duty** was imposed on US apples in 2019 in response to USA's measure to increase tariffs on certain steel and aluminum products. There is no reduction on Most Favoured Nation (MFN) duty on apples which is still applicable on all imported apples including on USA at 50%.

The import of apples from the world has been stable in the range of US\$ 239 – 305 million (except in 2021-22 when it was US\$ 385 million) in the last five financial years since application of these additional duties on US apples. The import of apples from USA has decreased from US\$ 145 million (127,908 Ton) in FY 2018-19 to only US\$ 5.27 million (4,486 Ton) in FY 2022-23.

Turkey, Italy, Chile, Iran and New Zealand are **other top exporters to India of apples** which took the market share of the US.

Further, on 8 May 2023 made amendment in import policy for Apples by applying **MIP (Minimum Import Price)** of Rs 50 per Kg for all countries except Bhutan. Therefore, this MIP will **also be applicable on apples from US as well as other countries (excluding Bhutan)**, thus preventing any flooding and protecting domestic growers from predatory pricing.

Apple production in India:

In India apple is primarily cultivated in **Jammu & Kashmir; Himachal Pradesh; the hills of Uttar Pradesh and Uttarakhand**.

It is also cultivated to a **small extent in Arunachal Pradesh; Nagaland; Punjab, Sikkim and Tamil Nadu**.

Apples grow best on **well-drained, loamy soils**.

The apple is a **temperate fruit crop**.

Kamaraj IAS Academy

Plot A P.127, AF block, 6 th street, 11th Main Rd, Shanthi Colony, Anna Nagar, Chennai, Tamil Nadu 600040

Phone: **044 4353 9988 / 98403 94477 / Whatsapp : 09710729833**

However, in India, the apple-growing areas do not fall in the temperate zone but the prevailing temperate climate of the region is due to the Himalayan ranges and high altitudes.

The average summer temperature should be **around 21-24 degrees C** during the active growth period.

It can be **grown at an altitude of 1500- 2700 m above sea level.**

Well-distributed rainfall of 1000-1250 mm throughout the growing season is most favourable for the optimum growth and fruitfulness of apple trees.