

**Fall in prices of rubber and other commercial crops in Kerala**

664. SHRI C.P. NARAYANAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether prices of rubber, coconut and other commercial crops in Kerala have fallen precariously in recent months putting cultivators in great distress;
- (b) what immediate steps Government intends to adopt to reduce their distress; and
- (c) what are the long term steps it envisages in the background of regional accords on trade and tariff which in many cases turn detrimental to our producers?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) Prices of rubber, coconut and other commercial crops in Kerala have shown a decreasing trend during recent months. Fall in price of the Natural Rubber (NR) is attributable, *inter alia*, to trends in economic growth and demand in major consuming countries. Fall in prices of oil and synthetic rubber and other external factors including development in future markets etc. Prices of coconut have fallen since April, 2015 in the wake of fall in prices of coconut oil which is influenced by price of other substitutes such as Palm oil and palm kernel oil. In case of cardamom, prices have shown a relatively decreasing trend during the last five months.

(b) Government has taken various steps to regulate import of NR which include, *inter alia*, reduction in export obligation period, enhancement of basic import duty, port restriction and suspension of import under the scheme for advance authorization for rubber imports. Government has enhanced the import duty of crude palmolein from 0% to 15% and RBD Palm Oil from 7.5% to 20% in order to discourage import of crude palmolein and palm kernel oil. Government has also imposed restriction on imports of palm oil through ports of Kerala. With a view to regulate imports of coconut oil and copra, State Trading Corporation has been authorized as agency. With a view to mitigate the difficulties faced by the farmers. Further, Minimum support price is available to the farmers of milling and ball copra which aids in offering remunerative prices to coconut growers and helps in stabilizing market prices. As regards cardamom, a minimum import price of ₹500/kg. was notified on 6th February, 2015.

(c) NR is included in the negative/exclusion lists of Free Trade Agreements with major natural rubber producing countries. Further, measures for domestic promotion of

commodities and programmes for development and post-harvest quality improvement for stabilizing market prices are also undertaken as part of approved development schemes.

### **Setting up of new industrial units**

665. SHRI K.C. TYAGI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has any proposal for setting up new industrial units in the country including backward districts of the country; and

(b) if so, the details thereof and the names of the locations proposed for the said units along with the time-limit within which these units are proposed to be set up?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) The State Government is primarily responsible for industrial development in their State. The Union Government supplements their efforts through various schemes launched by it with a view to promote industrialization in industrially backward areas of the country.

To attract investments in the setting up of new industrial units, the Government has worked out Schemes for Special Category States and for the North Eastern Region. The details of the Scheme(s) are given in Statement-I and Statement-II respectively (*See below*).

### ***Statement-I***

#### **I. North East Industrial and Investment Promotion Policy (NEIIPP), 2007**

- 1.1 With a view to give a further boost to industrialization in the North Eastern Region, the erstwhile North East Industrial Policy (NEIP), 1997 was revised and a new policy, namely North East Industrial & Investment Promotion Policy (NEIIPP) 2007, was notified *w.e.f.* 1.4.2007 which will remain in force up to 31.03.2017. Benefits under NEIIPP, 2007 have also been extended, for the first time, to the select Service Sector units, Bio-technology units and Power Generating units (up to 10 MW), besides industries in the manufacturing Sector. This policy replaces the erstwhile NEIP, 1997.
- 1.2 NEIIPP, 2007 is applicable to all industrial units (barring the units producing tobacco and manufactured tobacco substitutes, pan masala and plastic carry bags of less than 20 microns, refineries and units engaged in peripheral