BusinessLine

Govt plans merger of commodity boards



The HinduAgri-products account for over 10 per cent of the country's total exports. File Photo

Five commodity boards, under the Ministry of Commerce, are responsible for production, development and export of tea, coffee, rubber, spices and tobacco.

The Commerce Ministry is planning merger of the commodity boards and set up an umbrella organisation in order to improve production and exports of plantation crops like tea, coffee and spices.

Some of these boards were set up way back in 1940s and their merger could help in harmonising their activities and in turn, enhance the quality and boost exports.

The five commodity boards, under the Ministry of Commerce, are responsible for production, development and export of tea, coffee, rubber, spices and tobacco. "India has a huge potential to boost agri exports. One board will provide better services. So, we are working to form one specialised body with different verticals," a senior commerce ministry official told *PTI*.

The Coffee Board is a statutory organisation constituted under the Coffee Act, 1942. Similarly, the Rubber Board was constituted under the Rubber Act, 1947.

Tea Board was set up on 1st April, 1954 under the Tea Act, 1953. The Tobacco Board was constituted in January, 1976, while the Spices Board was formed in February, 1987.

These crops play an important role in the economic growth as they contribute in the country's exports and also create huge employment for people.

But dip in global demand and prices have impacted shipments of some of these commodities.

In December 2016, exports of tea and tobacco recorded positive growth, while shipments of coffee and spices grew by 15 per cent and about 3 per cent, respectively.

Agri-products account for over 10 per cent of the country's total exports.

In order to boost agri-exports, the Commerce Ministry has asked exporters to explore new markets and ship value-added products.