

No.5/6/2002-Plant(C)
Government of India
Ministry of Commerce and Industry
Department of Commerce

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New Delhi, Dated the 2nd May, 2005

To

The Chairman,
Rubber Board,
Kottayam.

Sub: Implementation of Rubber Plantation Development Scheme during the 10th Plan (2002-03 to 2006-07).

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Sir,

I am directed to convey the approval of the Government to the implementation of Rubber Plantation Development Scheme (details of the scheme annexed) during the 10th Plan (2002-03 to 2006-07) by the Rubber Board with an outlay of Rs 159.00 (one hundred and fifty nine crore). The major components of the scheme are given below :-

(i) Assist replanting by providing a planting grant of (a) Rs. 20,000 per hectare to growers in the traditional region having an area upto 5 hectares, with financial assistance being limited to 2 hectares only; and (b) Rs.20,000 per hectare for replanting to growers in the non-traditional region having an area upto 5 hectares and Rs.16,000 per hectare for the growers having an area between 5 hectares and 20 hectares.

(ii) Provide planting grant for new planting @ Rs.12,000 per hectare to growers in the traditional region having an area up to 5 hectares with financial assistance being limited to 2 hectares; @ Rs.16,000 per hectare to growers in the non-traditional region holding an area of upto 5 hectares and @ Rs.12,000 per hectare for holdings above 5 hectares but not exceeding 20 hectares.

(iii) Reimburse cost of planting material in the traditional region at a declining rate, limited to 500 plants per hectare, ending with Re.1 per plant during 2005-06 and continue reimbursement of cost for advanced planting material in the non-traditional region @ Rs. 8 per plant limited to 500 plants per hectare, with all categories of growers being eligible to avail of this assistance.

(iv) Setting up of a revolving fund of Rs.10 crore for purchase of critical inputs in bulk by the Rubber Board, and distributing to the small growers through Rubber Producers' Societies.

(v) Maintenance of nurseries in traditional as well as non-traditional regions, promoting formation of grass roots level organisations of farmers at village level, supporting Model Rubber Producers' Societies, promoting extra income generation activity from rubber plantation through apiculture, conducting educational campaign programmes and farmers meetings, consultancy studies, maintenance of tribal plantations, implementing integrated village level rubber development programmes in non-traditional regions.

2. The interest subsidy component, as proposed by the Board, has not been approved by the Government.

3. This issues with the concurrence of Finance Division vide their Dy. No.1001/FD/2005 dated 21-4-2005.

Yours faithfully,

(Adivi Das Rout)
Director

Copy to

1. Dr. Ahmad Masood, Adviser (PAMD), Planning Commission
2. Dr. Renu S. Parmar, Director(Agri), Planning Commission
3. Shri Vivek Rae, Joint Secretary, Department of Expenditure.
4. PPS to Commerce Secretary, Department of Commerce.
5. PS to AS (Plantations), Department of Commerce.
6. Finance Division, Department of Commerce.
7. B&A Section, Department of Commerce
8. Guard File

(Adivi Das Rout)
Director

ANNEXURE

DETAILS OF THE RUBBER PLANTATION DEVELOPMENT SCHEME

I. Background

An analysis of the production and consumption pattern of Natural Rubber in the country from 1980-81 onwards reveals that consumption of Natural Rubber had always been more than the production, excepting for 2 years, i.e., 1997-98 and 1998-99 when there was a general recession in the industrial sector leading to lower rubber consumption. Natural rubber is a vital industrial raw material. Bulk of the consumption of Natural Rubber is in the automotive tyre sector, specifically the large tyre sector, the growth of which is directly related to the transport sector. A higher industrial growth in the country will result in increased needs of freight transport and consequently higher consumption of Natural Rubber. The substitutes of natural rubber are synthetic rubbers, which utilize petroleum products as their feed stock and are costlier. For certain specific uses, Natural Rubber is indispensable. The synthetic poly isoprene, which can simulate Natural Rubber, is very expensive. Therefore, natural rubber will have greater demand.

With industrial growth rate picking up, from 1999-2000 onwards, consumption has again surpassed production and at the end of the terminal year of the IX th Plan Period i.e., 2001-02, the production was less by 7,000 MT than the consumption. The relevant figures are given in the table below:

Year	Consumption (MT)	Growth (%)	Production (MT)	Growth Rate	Deficit of production Over consumption(MT)
1999-2000	6,28,000	6.2	6,22,000	2.8	6,000
2000-01	6,31,000	0.5	6,30,000	1.3	1,000
2001-02	6,38,000	1.1	6,31,000	0.2	7,000

The projected increase in consumption of Natural Rubber over production for the period up to 2011-12 (terminal year of the XIth five year plan), is also given below:

Year	Projected Production(MT)	Projected Consumption(MT)	Deficit ('000MT)
2006-07(10 th Plan end)	7,17,000	8,30,000	1,13,000
2011-12 (11 th Plan end)	7,81,000	10,10,000	2,29,000

The deficit is expected to increase further in the years to follow. World production of Natural Rubber is also estimated to be less than the demand during the next 2 decades. A report of the International Rubber Study Group, 'Outlook for Elastomers -2000-01' says 'A world Natural Rubber shortage is now expected to occur during the first half of 2000s. However, the situation of a Natural Rubber deficit will only become severe in the second half of this decade'.

The widening gap between production and consumption points to the need for increasing the production of Natural Rubber in order to -

- (1) Meet the internal demand of the commodity and
- (2) Save foreign exchange that would otherwise be required to import the required quantity of Natural Rubber and

(3) Earn foreign exchange through export of Natural Rubber.

During the 10th plan period, apart from replanting of old and uneconomic plantations with high yielding varieties adopting latest agro management practices and expansion of rubber area through new planting especially in the non-traditional region, focus is also given for increasing productivity from existing plantations. Thrust is also given for increasing the economic viability of rubber plantations through promotion of ancillary income generation activities leading to large-scale adoption of these activities.

Natural Rubber production sector in the country in general has been inward oriented and was mostly meeting the demand of the domestic industry. In an era of liberalized economy and an emerging global market, the Natural Rubber production sector also should aim at exporting Natural Rubber to the major consuming countries, in addition to meeting the internal demand. Productivity of plantations has to be increased considerably besides bringing in significant improvement in quality in order to make the small holding sector competitive.

Rubber being a crop with a gestation period of about 7 years, planting has to be carried out well in advance to produce the required quantity of Natural Rubber in the coming years. For achieving the production levels to meet not only country's demand of Natural Rubber but also the export targets to enable India to be a regular player in the international market, production has to be ensured on a sustainable basis. Increase in production can be achieved only through expansion of area and increase in yield per hectare. Increase in yield per hectare is highly price sensitive and therefore is subjected to fluctuations based on price. This points to the fact that dependence on productivity increases alone will not help sustain production to meet the demand of Natural Rubber on a long term basis. Moreover, further increases in productivity in a sector where small holdings with an average holding size of 0.5 hectares account for 88% of production, is not an easy task. Therefore, it is imperative that expansion of area and replanting of old uneconomic plantations also should receive thrust during the tenth plan. It may be noted that the rate of increase in area has come down drastically during the IXth plan period, the effect of which will be reflected in the production in the coming years. The higher rate of production achieved up to the VIIIth plan was a result of the large scale planting carried out during the VIth and VIIth five year plans.

The increase in area, production and productivity during the terminal years of the previous four five year plan periods are given in the table below :

Plan	Area(in hectares at the end of terminal year of	Growth Rate (%)	Production (in MT) during the terminal year of	Growth Rate (%)	Productivity (Kg/hectare)	Growth Rate (%)
VI Plan	361960	6.51	186450	4.7	886	2.8
VII "	460341	4.48	297300	9.8	1029	3.0
VIII "	533246	1.75	549425	8.4	1503	5.9
IX "	567000	0.69	631000	0.16	1576	1.0

The data reveals the need for expansion of area under rubber plantation to ensure the desired area under tapping to sustain production. It also points to the necessity to replant as well as resort to measures to increase productivity.

II. Activities proposed under the Tenth Five Year Plan under the Rubber Plantation Development Scheme.

1. Replanting

The proposal is to cover 34,850 hectares under the replanting programme in the traditional region as well as non traditional region other than north east. As the small farmers are deprived of any income from their holdings during the gestation period of 6 to 7 years and since they will have to invest a considerable amount for replanting the area scientifically, a higher rate of financial assistance is proposed to be given for replanting than for new planting. The rate of assistance proposed for replanting is Rs. 20,000/- per hectare for traditional region and the assistance will be extended to those small growers whose total rubber area does not exceed 5 hectares. In the traditional region the financial assistance however will be limited to for 2 hectares.

In the non traditional region the assistance proposed is Rs. 20,000/- per hectare for those growers having plantations with an area upto 5 hectares. For planters owning area above 5 hectares and upto 20 hectares, the rate of planting grant will be @ Rs.16,000/- per hectare.

The rate of assistance under the 9th Plan was Rs. 12,000 per hectare in the traditional region and in the nontraditional region it was Rs. 16,000 per hectare for holdings upto 5 hectares and Rs. 12,000 for holdings above 5 hectares and upto 20 hectares.

The planting grant will be disbursed in 6 annual installments based on growth parameters fixed by the Board.

The total outlay proposed for providing financial assistance for replanting is Rs.1636.50 lakhs of which Rs.1215.75 lakhs is for traditional region, Rs.420.75 lakhs for Non-traditional other than north east.

2. New planting

The target for new planting proposed in the project is 5,000 hectares, of which 2,500 hectares is in the non traditional region in states such as Karnataka, Orissa and Andhra Pradesh and the remaining 2,500 hectares is in the traditional region of Kerala & Tamil Nadu.

The rate of assistance proposed for new planting is Rs. 12,000/- per hectare for traditional region and the assistance will be extended to those small growers whose total rubber area does not exceed 5 hectares. In the traditional region the financial assistance however will be limited to for 2 hectares.

In the non traditional region the assistance proposed is Rs.16,000/- per hectare for those growers having plantations with an area upto 5 hectares. For planters owning area above 5.00 hectares and upto 20 hectares, the rate of planting grant will be @ Rs.12000/- per hectare.

The total out lay proposed for new planting is Rs.589.75 lakhs, of which Rs.151.50 lakhs is for traditional region and Rs. 438.25 lakhs is for NT region .

An assistance for use of advanced planting material is also proposed to be paid to all categories of growers in the traditional region on declining scale. The assistance which was being

paid in the ninth plan is being phased out ending with Re.1 per plant during 2005-06. The assistance will be limited to 500 plants per hectare. In the non traditional region the assistance will be @ Rs.8/- per plant limited to 500 plants per hectare to all categories of growers.

3. Rubber Plantations for settlement of tribals(TSP/SCP)

500 hectares of plantation is proposed to be raised for the economic rehabilitation of tribal/Scheduled caste growers with the participation of the State Governments (in the traditional as well NT area other than NE). Apart from this the maintenance of plantations in the previous plan period also has to be carried out for which an amount of Rs. 621 lakhs is earmarked during the 10 th plan

Disbursement of financial assistance will be spread over a period of six years i.e., the gestation period of rubber. The financial assistance proposed is sufficient only to meet a part of the cultivation and maintenance expenditure during the immature phase. Remaining part of the cost of cultivation is proposed to be met as credit under a NABARD Refinance Scheme or by growers using own resources. Release of planting grant will be based on attaining certain growth parameters and adopting the prescribed technical package of practices, viz., soil conservation measures, plant protection operation, ground cover management etc.

4. Interest Subsidy

An interest subsidy @ 5% on loans availed for meeting the development cost for replanting as well as new planting was proposed by the Rubber Board to be provided to all categories of growers, who are not provided with the planting grant. The proposal for interest subsidy was made in the backdrop of declining investment in the plantation sector which ultimately affects productivity. Interest subsidy was expected to encourage investment.

The EFC while considering the proposal for interest subsidy was of the opinion that as interest rates are declining, 5% interest subsidy is not justified and this component be further examined. Department of Expenditure subsequently has not supported this component and hence the component has been excluded from the scheme.

To meet the spill over payments for new planting as well as replanting as per the commitment during the previous plan period an amount of Rs.3957.25, lakhs is also earmarked during the Tenth Plan.

Assistance for planting is provided in other rubber producing countries too where the scale of assistance is much higher. In Malaysia the development assistance for replanting is to the tune of Rs78,000/- per hectare and in Thailand the assistance is Rs.45,900/- per hectare meeting more than 60% of the developmental cost. The proposed assistance under the present scheme meets only about 16 % of the cost of cultivation in the traditional region and less than 40% in the non traditional region. The quantum of assistance proposed in the present proposal is therefore justifiable. It has also to be mentioned that cess is generated based on the production and it is only justified to plough back a portion of the cess generated, to the sector for the development of the sector.

During the last 5 decades, rubber plantation industry recorded commendable performance in respect of expansion of area, production and productivity. From 1950-51 to 2002-03, rubber area increased more than 7.5 times and production of rubber, around 41 times. In terms of productivity, India stands first among the major rubber producing countries in the world, with an annual average productivity of 1592 kg per hectare. This achievement is against several constraints such as sub

optimal agro climatic conditions, inhospitable terrain and the resultant low labour productivity and the preponderance of smallholdings that account for 88 % of the area and production. The average size of a smallholding is 0.50 hectare or less. The average holding size in India is the lowest among the Natural Rubber producing countries. There are about one million smallholdings in the country and the sector employs about 3.48 lakh people directly as well as 7.00 lakh people indirectly. The crop therefore has substantial socio-economic significance. The plantations are mostly in the rural areas and it contributes significantly to the rural development also. The impressive growth rate achieved is as a result of sound R&D and efficient extension support with appropriate policy interventions.

5. Productivity enhancement

In spite of having reached the highest productivity level among major Natural Rubber producers, even now there is scope for improving productivity of rubber in the small holding sector. Only further increasing the productivity can offset the relative disadvantages of the Indian rubber plantation sector. A study conducted by the National Institute of Rural Development (NRD, Hyderabad) has revealed that about 23 per cent of the holdings are yielding less than 750 kgs of rubber per hectare per year. The gap in productivity can be bridged through intensive extension activities for effective transfer of technology, ensuring adoption of technology and timely use of appropriate inputs.

Measures to increase productivity are as follows:

- ✓ Discriminatory fertilizer application (DFA)
- ✓ Scientific tapping including Controlled Upward Tapping (CUT)
- ✓ Scientific disease control measures
- ✓ Soil moisture conservation measures
- ✓ Rain guarding

Each of the above measures can increase productivity varying from 15-50 per cent.

During 1994-2000 under the World Bank Assisted Project the productivity enhancement measures as mentioned above were implemented in about 50,000 to 60,000 hectares annually. An impact assessment made by the Centre for Management Development (CMD), Thiruvananthapuram indicated that in the project area, the productivity increased by 379 kg per hectare. As a result of the low prices there was a general slackness on the part of growers in adopting productivity enhancement measures. Though the rate of increase in production has been declining the extent of decline was minimized as a result of productivity enhancement measures adopted during the implementation of the World Bank Project period.

The strategy adopted for ensuring productivity enhancement had been as follows:

- 1) Distribution of agro inputs namely fertilizers, materials for rain guarding such as polythene sheets and adhesive (rain guarding compound), fungicides such as Copper Oxychloride and Copper Sulphate, spray oil, stimulants and panel protectants through the Rubber Producers' Societies to the growers at concessional price. The inputs were distributed at nominal price concession.

- 2) Setting up of demonstration plots. The productivity enhancement measures listed earlier were demonstrated in the farmers' fields for accelerating the pace of adoption. This has helped significantly in increasing the rate of adoption of practices such as discriminatory fertilizer application based on soil and leaf analysis, Controlled Upward Tapping, scientific tapping systems and rain guarding.
- 3) Strengthening the Rubber Producers' Societies through programmes for capacity building among the Rubber Producers' Societies, raising the level of awareness of the members through regular training programmes, field visits, campaigns etc.

The present proposal envisages procurement and distribution of critical inputs required for adopting productivity enhancement measures such as rain guarding, plant protection measures and scientific exploitation systems which involve use of stimulants.

Inputs required for these cultural practices viz polythene sheets, rain guarding adhesives, copper oxychloride, copper sulphate, spray oil and ethephone will be procured in bulk and distributed through Rubber Producers' Societies/ Companies sponsored by the Rubber Producer Societies to cover about 25,000 hectares of small holdings under each of the practices. A revolving fund of Rs 1000.00 Lakhs is proposed to be set up.

The materials will be distributed to growers through Rubber Producers' Societies after collecting the price. In the subsequent years purchase will be effected utilizing the fund thus returned to the Board. The participating Rubber Producers' Societies will have to be paid a nominal service charge also. Every year a price concession on all input items is proposed to be given to the growers as an encouragement and incentive for adopting the scientific agro management practices. Besides a service charge also is proposed to be paid to the participating Rubber Producers' Societies.

Though the proposal was to give a service charge and price concession amounting up to 30 % the EFC after considering the proposal stipulated a ceiling for price concession on various inputs with a ceiling of Rs.90.25 lakhs as total price concession for all the six inputs for one year. Similarly the service charge to the Rubber Producers' Societies also was decided to be limited to 10 % of the cost of inputs.

6. Other components proposed to be operated under the Rubber Plantation Development scheme.

A) Quality planting material generation

The Rubber Board is maintaining 14 rubber nurseries in different parts of the country including the nontraditional region. These nurseries produce good quality budded plants of high yielding clones and are the sources of genuine bud wood material required by private nurseries to produce budded plants. Even though the Board is in a position to meet only around 10% of the total planting material requirement in the country, it is very necessary to maintain the nurseries already

established by the Board in order to ensure quality control and check unscrupulous trading practices by the private nursery owners.

As decided by the EFC, the nurseries would be run on a no loss no profit basis with focus on maintaining germplasm. Capacity building and quality assurance in private nurseries would also be promoted.

The outlay for implementing this component in the traditional and nontraditional region during the plan period comes to Rs. 450.0 lakhs.

B) Group formation and empowerment

From the mid 1980s onwards, the Board has been promoting formation of grass roots level organizations of farmers at village level. The major objective of formation of these groups is to provide better services to farmers at closer quarters and to strengthen the sector. These organizations are named Rubber Producers' Societies. Already around 2100 Rubber Producers' Societies have been formed. The Board has been implementing various programmes for strengthening these Rubber Producers' Societies like arranging training in national / international institutes and also in the Board for capacity building and leadership, facilitating inter agency linkage such as participation in Peoples Planning Programmes and other programmes of the State governments and providing financial and technical assistance for setting up infrastructure

During the 10th plan period the following activities are proposed in the Rubber Producers' Societies sector :-

- i) New Rubber Producers' Societies will be formed in areas where they do not exist now and the Rubber Producers' Societies that are not functioning properly will be activated and made functional. The proposal is to form 750 more Rubber Producers' Societies during the 10th plan period. Besides it is also envisaged to implement specific programmes for women development.
- ii) The Technology Transfer Centres established in Model Rubber Producers Societies will be supported for conducting training programmes for growers as well as Rubber Producers' Societies office bearers in the fields of latest agro technology, group activities, group management, participatory approach etc. Arranging resource persons, and providing technical support including facilitating use of IT will be the responsibility of the Board.

The financial provision proposed for these activities is Rs. 50.00 lakhs.

C) Educational campaign programmes and farmers' meetings.

The Board in association with the Rubber Producers' Societies regularly conducts small village level group meetings of growers and workers for technology dissemination. Whenever a special message or theme is to be conveyed, group meetings on a campaign basis will be convened. Through these interactions the Board also gets feed back/information directly from the real growers.

The expenditure proposed, including that for the nontraditional region, for these activities is Rs. 100.00 lakhs.

D) Consultancy studies

Consultancy Studies by reputed national / international agencies having sufficient expertise are proposed to be carried out in order to assess the impact of implementation of various schemes, scientific need assessment etc. Certain field surveys regarding trend in rubber production and productivity, replantable plantations etc are also proposed to be carried out. A provision of Rs. 25.00 lakh is made for this item during the 10th plan period.

E) Maintenance of tribal plantations(Mature area)

The Board has been implementing a scheme for rubber development in the land of tribal people with financial support from State Governments. The plantations raised earlier under this project have now become ready for tapping. In order to prevent alienation of these plantations from the real tribals, they have to be supported by providing training in scientific rubber tapping and processing of latex. Common facilities for community processing of latex, effluent treatment, marketing etc. have also to be provided. A scheme to be operated jointly by the Board and the concerned State Government will be implemented during the plan period. Board's involvement during the plan period will be Rs. 125.00 lakhs. As the beneficiaries are all tribal people, the entire expenditure under this activity will be met from the SCP/ TSP.

F) Extra income generation activity from rubber plantations

Rubber plantations are good sources of honey and bee keeping in rubber estates will add to the financial viability of the plantations. In fact this potential of rubber plantations is only sparingly utilized now. The proposal is to provide financial support to 5000 growers @ Rs. 2000/- per grower for establishing bee-keeping units in rubber plantations. The financial provision required is Rs. 100.00 lakhs.

III. Special schemes for non-traditional region other than north eastern region

During the Xth plan period, it is proposed to carry out **new planting** of 2,500 hectares and **replanting** of 1000 hectares in the NT region other than NE region for which a provision of Rs.438.25 lakhs and Rs.420.75 lakhs respectively, are made in the scheme .

Other activities include an integrated village level rubber development programme, establishing 35 group processing facilities, supporting 100 individual small growers for establishing processing facilities and setting up of demonstration plantations in farmers' fields in different potential areas in the non-traditional region. Activities like assistance for irrigation (Rs.5 lakhs), Boundary protection (Rs.5 lakhs), quality planting material generation (Rs.126.5 lakhs), and Educational training / campaign programmes like farmers group meetings (Rs.63 lakhs) are also envisaged in the scheme

IV. Benefits of the scheme

The proposal is to new plant / replant rubber in 39,850 hectares over a period of 5 years as indicated below:

	(in hectares)
2002-03	7,970
2003-04	7,970
2004-05	7,970
2005-06	7,970
2006-07	7,970
Total	<u>39,850</u>

The plantations raised in each year will start yielding 6 years after planting. The plantations of 2002-03 will start giving yield from 2008-09 onwards. All the plantations established during the plan period of 5 years will attain maturity by the year 2012-13. It is expected that on an average, these plantations will yield 2500 kg of rubber per hectare per year.

The project will help production of Natural Rubber as per the details given below:-

	(in MT)
2008-09	12,500
2009-10	30,000
2010-11	47,500
2011-12	62,500
2012-13	95,000

Production will further increase and will stabilize @ 125,000 MT per year which will continue for the next 25 years.

The total production of rubber from the plantations raised under the project is estimated at 31,25,000 MT.

The economic and social implications of the project will be -

1) Foreign exchange worth around Rs. 12,400/- crores can be saved by way of price of 31,25,000 MT of rubber that will be produced as a result of implementation of this scheme. If the scheme is not implemented, that much quantity of Natural Rubber will have to be imported, which would drain the national economy of Rs. 12,400/- crores.

2) An important social impact of the project is that it will provide direct employment to around 650 lakh people during the immaturity phase of the plantations raised and permanent employment to around 45,500 people thereafter during the entire maturity phase of 25 years. In addition to this, another 50,000 man days (approx.) of labour opportunities will be generated every year indirectly, for raising nurseries, felling old trees for replanting, rubber wood processing and furniture making, dealings in plantation inputs, procurement and sale of rubber etc.

3) Around 3,000 tribal shifting cultivators in the traditional and non-traditional area will plant rubber under the project. This will be an effective settlement project for those 3,000 tribal families.

4) An average of 25000 hectares is proposed to be directly covered under various productivity enhancement programmes like rain guarding, adoption of appropriate plant protection measures and application of yield stimulants. The direct impact of this activity would be a yield increase of 250 kg. of rubber per hectare per year. The total yield increase for 25000 hectares in one year will be 6250 MT. of rubber and for the plan period of 5 years the increase in rubber production would be 31250 MT. At the minimum price of Rs. 32.09, the value of 31250 MT of rubber works out to Rs. 100.00 crores. (calculated @ Rs. 32/- per kg.)

5) As a result of the extension and educational programmes like training, motivational meetings of small farmers, demonstration of latest agro-management practices etc. proposed in the scheme, owners of another 10000 hectares. of plantations will also be following productivity enhancement activities every year, on their own. This would also

result in an yield increase of 2500 MT. per year and for the entire plan period of 5 years rubber production will go up by 12500 MT. Value of this much quantity of rubber works out to Rs. 40.00 crores.

V. Operational modalities

The Rubber Board through its extension set up had been successfully implementing a host of rubber development programmes from the year 1957 onwards. As a result, there has been phenomenal increase in the area new / replanted with rubber. The total rubber area, which was 111,027 hectares in 1957-58 has gone up by more than 5 times to reach about 570,000 hectares in 2002-03. Similarly the average yield per hectare has also increased from 345 kg. in 1957-58 to 1592 kg.in 2002-03. In the north eastern region, the Rubber Board has geared up its machinery from 1986 onwards and implemented many rubber development projects. Successful implementation of such projects has attracted appreciation from outside agencies like the World Bank, Govt. of Tripura etc.

As per the project, rubber planting is proposed to be got done by small farmers (and not by the Board directly), whose number is around a million and the only agency having direct link with the rubber farming community is the Rubber Board. From 1985 onwards the Board has been supporting small rubber growers to form village level groups of their own. Once such groups are formed, they are further supported for capacity building, infrastructure development etc. Already around 2100 such groups (Rubber Producers Societies) have been formed and the Board is implementing different developmental programmes through them.

Certain components like Tribal rubber plantation projects and Integrated Village level rubber development in nontraditional region etc. are proposed to be implemented with the financial involvement of the concerned State Governments. The Rubber Board has already established links with the State Governments in these matters.

No agency other than the Rubber Board has the operational capability and infrastructure to implement the project with the involvement of rubber growers.

VI. OUTLAY

The total outlay of the scheme proposed is Rs.159 crores as per details given below:

Year	Traditional region (Rs./crores)	Non Traditional region Rs./crores)	Total (Rs./crores)
2002-03	32.64	2.86	35.50
2003-04	25.26	3.25	28.51
2004-05	26.29	3.68	29.97
2005-06	27.31	4.03	31.34
2006-07	29.50	4.18	33.68
Total	141.00	18.00	159.00
