



# Bill Summary

## The Rubber (Amendment) Bill, 2009

- The Rubber (Amendment) Bill, 2009 was introduced in the Lok Sabha on July 28, 2009 by the Minister of Commerce and Industry, Shri Anand Sharma.
- The Rubber 1947 (Principal Act) created the Rubber Board to promote the development of the rubber industry.
- The Amendment Bill proposes eight main changes to the Principal Act.
  - First, it delicenss planting and replanting of rubber. There is no change to the requirement of licences for buying or selling rubber.
  - Second, it permits the central government to set the excise rate to zero on rubber manufactured for export for the period April 1961 to August 2003. The excise collected for this period may be refunded. The Financial Memorandum estimates the total cost to the exchequer arising from this proposal at Rs 16.69 crore. [The Statement of Objects and Reasons does not provide the rationale for changing the excise rate for a previous period.]
  - Third, it combines the different funds under the Rubber Board into a single Rubber Development Fund.
  - Fourth, it empowers the Rubber Board to implement standards for quality, marking, labelling and packing.
  - Fifth, it permits the central government to issue policy directives to the Rubber Board.
  - Sixth, it allows the Rubber Board to compound any offenses on payment upto the value of goods concerned. It also increases the penalty for making false statement to Rs 5,000 (from Rs 1,000).
  - Seventh, it defines rubber processor, and redefines small grower as an owner whose estate is upto 10 hectares (earlier 50 acres).
  - Eighth, its adds three members to the Rubber Board: two from the Department of Commerce and one from the Department of Agriculture and Co-operation.

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