

PRESS RELEASE

Reports and comments have appeared in a section of the Press on the scarcity or poor availability of salt in Tamil Nadu. Some of these reports have provided inaccurate and even misleading information to the public on the situation prevailing especially on the role of the Tamil Nadu Salt Corporation Limited, a Tamil Nadu State Public Sector Corporation. We are obliged therefore to clarify the position and of the efforts made by the Corporation in this respect.

Production of Salt in Tamil Nadu

Tamil Nadu produces in a normal year about 18-22 lakh tonnes of salt much of which is consumed by the Chlor-Alkali industry and about a fourth is consumed as Crystal Iodised Salt and Refined Free Flow Iodised Salt in the State. Tamil Nadu Salt Corporation produces about 7% of this quantity and had planned to raise its production by 40% in the year.

Production affected by Unseasonal Rains this year

During the current year, unseasonal rains in February and March have interrupted the production process and have damaged the salt pans that were prepared for salt evaporation and harvesting. It was only after the rains eased on a predictable basis that salt pan preparation could be redone and the process of salt harvesting commenced. It is estimated that these unseasonal rains have caused about 40% loss of planned production which reflects in the availability of salt for all categories of consumers, retail and industry. During the current year, Tamil Nadu Salt Corporation had made special efforts to expand its area of production even prior to the unseasonal rains. However, the planned increase was prevented by the rains and our plans to increase production by about 40% have been nullified.

Corporation's steps to improve supply

Following this setback and the general shortage anticipated for consumers, the Corporation, took a policy decision to ensure the highest priority in supply of salt to consumers and to limit its sales to industry to the balance available. The Corporation has accordingly taken steps to expand the availability of its salt through the Public Distribution System so that rural and urban consumers can readily access our Crystal Iodised Salt and Refined Free Flow Salt at reasonable prices that are far below the prices at groceries and supermarkets. Even so, as the Corporation only has a market share of about 10% and because customers perhaps do not wish to venture to PDS outlets only for buying a low value commodity like salt, we have been unable to make a major impact on the market.

Corporation sells at Cheap Price and Excellent Quality

In this connection, the Corporation has priced its Crystal Iodised Salt called Arasu Salt at Rs.3.00 per kg from May onwards by revising its previous price of Rs.2.50 per kg that was fixed ten years ago in 1998 in order to curb further losses. The Corporation is also purchasing and distributing Refined Free Flow Iodised Salt at Rs 5.00 per kg against its former (2004) price of Rs 4.00 per kg. TNSC also produces in-house and markets its unique Double Fortified Salt containing iron and iodine at Rs 8.00 per kg and is promoting its sale through PDS shops throughout the State. These varieties of salt marketed by the Corporation are not subsidised but they are yet far cheaper than other branded or unbranded salt because we have purposefully kept low

margins. Our salt products assure customers the benefit of quality certifications from the Bureau of Indian Standards (ISI), International Coalition for Control of Iodine Deficiency Disorders (ICCIDD) and the Salt Commissioner (GOI). Customers may also appreciate this assurance as our processes are backed by ISO 9001:2000 certification from this year.

In contrast to these prices of TNSC salt, market prices are exactly double our maximum retail prices at Rs 6.00 per kg for Crystal Iodised Salt and Rs 10.00 per kg for Refined Free Flow Iodised Salt with many of these brands having uncertain quality of fortification of iodine. Double Fortified Salt of our quality is not sold by other private suppliers anywhere in the country. Customers are welcome to buy the Corporation's salt varieties for any quantity without producing ration cards at their convenient ration shops or at Amutham or Kamadhenu outlets, etc in Chennai and in the districts.

TNSC serves poor salt workers and consumers

Consumers may also appreciate the efforts of the Tamil Nadu Salt Corporation if they consider that the Corporation is a model employer of unorganised salt workers living in extremely backward areas. The Corporation also supports cooperative societies of salt workers by marketing their salt at excellent prices that allow them to compensate their member-workers at rates far higher than comparative labour rates in the region. The Corporation is therefore obliged to and continues to maintain a balance between the interests of poor salt workers and consumers.

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