

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION NO. 227
TO BE ANSWERED ON 03rd FEBRUARY, 2023

DECREASING PRICE OF NATURAL RUBBER

227 SHRI JOSE K. MANI:

Will the Minister of **COMMERCE & INDUSTRY** be pleased to state:

- (a) the details of import of natural rubber into the country for the last five years;
- (b) whether Government has noticed a decrease in the domestic price of natural rubber over the last five years;
- (c) if so, the details thereof and the reasons therefor;
- (d) the steps taken by Government to support rubber producers who are reeling under the pressure of steep fall in rubber prices; and
- (e) whether Government has any plans to scrap the Rubber Board, if so, the reasons therefor?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SMT. ANUPRIYA PATEL)

(a): The details of import of natural rubber (NR) into the country for the last five years are as under:

Natural rubber imported by India		
Year	Volume of NR Imported (Tonne)	Value of NR Imported (Rs Crore)
2017-18	469,760	5343.7
2018-19	582,351	6127.7
2019-20	457,223	4926.6
2020-21	410,478	4619.8
2021-22	546,369	7702.7
2022-23 (Apr-Dec) (provisional)	418,192	6279.9

(Source: Rubber Board)

(b) to (d): The price of natural rubber is determined in the open market based on demand and supply. The International rubber prices also influence the domestic prices.

The details of yearly average domestic price of natural rubber are as under:

	Sheet rubber	Block rubber
Year	Domestic (RSS 4 Kottayam) (Rs/Kg)	Domestic (ISNR 20 Kottayam) (Rs/Kg)
2017-18	129.80	115.17
2018-19	125.95	118.72
2019-20	135.22	118.66
2020-21	141.85	120.43
2021-22	171.01	158.19
2022-23 (upto Dec.)	161.10	149.85

(Source: Rubber Board)

The Government, with the objective to regulate the import of natural rubber, had increased the duty on import of dry rubber from “20% or Rs. 30 per kg whichever is lower” to bound rate of “25% or Rs. 30 per kg whichever is lower” w.e.f 30.4.2015. The Government had also reduced the period of utilization of imported dry rubber under advance licensing scheme from 18 months to 6 months in January 2015. The Port of entry for import of Natural Rubber had also been restricted to ports at Chennai and Nhava Sheva in January 2016. Further, in the Union Budget 2023-24, the rate of custom duty on compound rubber has been increased from 10% to 25% as that on natural rubber. The above steps are expected to promote domestic production of natural rubber and keep its prices buoyant.

(e): At present, no such proposal is under consideration.
