

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1027**  
**TO BE ANSWERED ON 17<sup>th</sup> DECEMBER, 2018**

**NATURAL RUBBER**

1027. ADV. JOICE GEORGE:  
SHRI ANTO ANTONY:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the Government has noticed the recent price crash of natural rubber and if so, the details thereof along with the reaction of the Government in this regard;
- (b) whether the Government has noticed that rubber farmers are in deep trouble and if so, the details thereof along with the reaction of the Government in this regard;
- (c) whether the Government has any statistics regarding the prices of natural rubber in international and domestic markets and if so, the details thereof during the last five years, year-wise and country-wise along with the steps taken by the Government to enhance the price of natural rubber and also the steps taken to enhance its use in the country;
- (d) whether the Government is planning to introduce minimum fare price or minimum import price for natural rubber and if so, the details thereof along with the details of the recommendations, if any, received from the Rubber Board in this regard; and
- (e) whether any International Conference held in Kerala has urged the Government to promote the production and use of natural rubber and if so, the details thereof along with the reaction of the Government in this regard?

**ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY  
(SHRI C. R. CHAUDHARY)

(a)& (b) Natural Rubber (NR) prices have been at relatively low levels during the recent past in domestic and international markets. The Natural Rubber (NR) prices are determined by market fundamentals and a range of factors which inter-alia include trends in economic growth in major consuming countries, oil/synthetic rubber prices, weather conditions and developments in future markets. Domestic NR market generally follows the trends in world market with occasional divergences due to region specific and seasonal factors. The domestic NR prices are also highly sensitive to import of NR. Hence, to regulate the import of NR, the Government has increased the duty on import of dry rubber from “20% or Rs. 30 per kg whichever is lower” to “25% or Rs. 30 per kg whichever is lower” w.e.f 30.4.2015 in order to create demand for locally produced rubber. The Government has also

reduced the period of utilization of imported dry rubber under advance licensing scheme from 18 months to 6 months. Director General of Foreign Trade (DGFT) has imposed port restriction on the import of Natural Rubber by restricting the port of entry to Chennai and NhavaSheva (Jawaharlal Nehru Port) since 20<sup>th</sup> January, 2016.

(c) The prices of the major traded forms of NR viz. sheet rubber, block rubber and centrifuged latex for the last five years in the domestic and international markets are given in the Annexure. The use of NR in the country has been steadily increasing and consumption in 2017-18 was 1.11 million tonnes. As the projected NR consumption in 2030-31 is 2.04 million tonne as against the domestic production of 1.41 million tonne, there is no anticipated situation of lack of demand. Steps to enhance use of rubber include research on rubber product manufacturing and related aspects; provision of technical consultancy, training and testing services through Rubber Board; setting up Rubber Parks etc.

(d) No, Madam. Presently there is no proposal under consideration of the Government to introduce minimum fair price or minimum import price for natural rubber.

(e) The discussions in the India Rubber Meet (IRM) 2018 held at Kochi, Kerala on 30 and 31 October 2018 covered broadly production and use of NR along with other aspects related to rubber industry.

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**Annexure referred to in reply to part (c) of Lok Sabha Unstarred Question No. 1027 for  
17.12.2018**

Prices of NR in the domestic and international markets (Rs/Kg)						
Year	Sheet rubber		Block rubber		Latex (60% drc)	
	Domestic* (RSS 4 Kottayam)	Internati- onal** (RSS 3 Bangkok, Thailand)	Domestic* (ISNR 20 Kottayam)	Internat- ional*** (SMR 20 Kuala Lumpur, Malaysia )	Domestic* (Kottayam)	Internat- ional*** (Kuala Lumpur, Malaysia )
2013-14	166.02	155.25	156.43	137.14	123.31	101.06
2014-15	132.57	112.71	114.40	96.04	94.46	77.07
2015-16	113.06	96.36	100.42	84.81	88.28	67.08
2016-17	135.49	131.78	119.22	109.13	89.10	88.77
2017-18	129.80	116.78	115.17	96.55	87.90	82.28
2018-19 (Upto November)	121.56	97.72	110.20	89.02	83.53	66.55

Source:

\* Rubber Board

\*\* Rubber Authority of Thailand (RAOT)

\*\*\* Malaysian Rubber Board (MRB)