

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
STARRED QUESTION NO. 357
ANSWERED ON 17/03/2026

RUBBER PRICE STABILIZATION FUND

357. SHRI RAJMOHAN UNNITHAN :

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

- (a) whether the Government has examined the proposal for establishing a Rubber Price Stabilisation Fund with an investment of Rs. 1000 crore, if so, the details thereof;
- (b) whether domestic rubber farmers continue to suffer due to import surges and global price volatility;
- (c) whether consultations with rubber-growing States have been held;
- (d) if so, the details thereof; and
- (e) the steps taken or proposed to be taken to protect farmers' income security?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में मंत्री (श्री पीयूष गोयल)
THE MINISTER IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (e) A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY OF PART (a) TO (e) OF LOK SABHA
STARRED QUESTION NO. 357 FOR ANSWER ON 17th MARCH, 2026
REGARDING “RUBBER PRICE STABILISATION FUND”**

(a) to (d) The import of Natural Rubber in FY 2024-25 was 550,918 tonnes as against 546,369 tonnes during the FY 2021-22, with no significant increase overall in this period. The import of Natural Rubber during April to January, 2025-26 was 399,535 tonnes as against 485,666 tonnes during the same period of 2024-25 showing a decline of 17.73%. The prices of natural rubber are determined in the open market based on demand and supply. International prices also influence domestic prices. The average price of natural rubber (RSS 4 grade) in Kottayam, Kerala during the period April to January, 2025-26 has been Rs. 193.77 per kg compared to an average price of Rs. 170.77 per kg for the period of FY 2021-22 to FY 2024-25.

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 was increased from 10% to 25% or Rs. 30 per kg whichever is lower. Currently, no proposal for establishing a Rubber Price Stabilisation Fund is under consideration in Department of Commerce.

(e) Government of India through Rubber Board is implementing the scheme “Sustainable and Inclusive Development of Natural Rubber Sector” for the benefit of natural rubber sector in the country. Under the scheme, Rubber Board provides financial / technical assistance for inter alia planting / replanting of natural rubber, rain guarding, promotion of good agricultural practices, prevention of diseases in order to increase the productivity and production of natural rubber. Under the Scheme capacity building programmes viz., training, demonstrations and skill development programmes are also conducted by the Board.