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

### LOK SABHA UNSTARRED QUESTION NO. 132 TO BE ANSWERED ON 30<sup>TH</sup> NOVEMBER, 2015

## **RUBBER GROWERS**

## **132. SHRI C.N. JAYADEVAN:**

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

- a) whether there is a continued crash in the prices of rubber during the last three years and the current year;
- b) if so, the details thereof, year-wise; and
- c) the measures taken by the Government to help rubber growers in Kerala?

## ANSWER

# वाणिज्य एवं उद्योग राज्य मंत्री (श्रीमती निर्मला सीतारमण)(स्वतंत्र प्रभार) THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

(a) & (b): Government is aware of the decline in the prices of Natural Rubber (NR) caused primarily by fall in rubber prices in the international markets and the lower demand for the type of NR produced domestically. Main reasons for the decline of rubber prices in the international market are weak demand for NR due to moderating economic growth in China, Increase in world stock of NR particularly in Thailand and low oil prices resulting in low prices of synthetic rubber. However, the domestic rubber prices have generally stayed above international prices.

Details of prices of NR in the domestic and international market for the last three years are given below:

	Sheet rubber		Block rubber		Latex (60% drc)	
Year/ Month	Domestic (RSS 4 Kottayam)	Internati- onal (RSS 3 Bangkok)	Domestic (ISNR 20 Kottayam )	Internat-ional (SMR 20 Kuala Lumpur)	Domestic (Kottayam)	International (Kuala Lumpur)
2012-13	176.82	175.76	168.17	160.89	117.72	111.64
2013-14	166.02	155.25	156.43	137.14	123.31	101.06

Prices of NR in the domestic and international markets (Rs./Kg)

	Sheet rubber		Block rubber		Latex (60% drc)	
Year/ Month	Domestic (RSS 4 Kottayam)	Internati- onal (RSS 3 Bangkok)	Domestic (ISNR 20 Kottayam )	Internat-ional (SMR 20 Kuala Lumpur)	Domestic (Kottayam)	International (Kuala Lumpur)
2014-15	132.57	112.71	114.40	96.04	94.46	77.07
Oct., 2015	114.10	86.28	102.64	81.98	86.66	62.60

(c) The Government has recently 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. The Government has also reduced the period of utilization of imported dry rubber under advance licensing scheme from 18 months to 6 months. RSS (Ribbed Smoked Sheet) and TSR (Technically Specified Rubber) has been added in Merchandise Export from India Scheme (MEIS) which would make them eligible for an incentive at the rate of two per cent for exports vide DGFT Public Notice No. 44/2015-20 dated 29 October 2015.

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