GOVERNMENT OF INDIA MINISTRY OF COMMERCE & INDUSTRY DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION

LOK SABHA

UNSTARRED QUESTION NO. 54. TO BE ANSWERED ON MONDAY, THE 30TH NOVEMBER, 2015.

TYRE INDUSTRY

54. SHRIMATI VANAROJA R.:

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

- (a) whether it is a fact that dumped tyre from China has peaked to 30 per cent of the replacement market in India and it is hurting both rubber farmers and the Indian tyre industry; and if so, the details thereof;
- (b) whether the Government has received any representation from the tyre industry in this regard; and
- (c) if so, the details thereof and the steps taken by the Government in this regard?

ANSWER

वाणिज्य एवं उद्योग राज्यमंत्री (स्वतंत्र प्रभार)(श्रीमती निर्मला सीतारमण) THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF COMMERCE & INDUSTRY (SHRIMATI NIRMALA SITHARAMAN)

- (a): No, Madam. As per information provided by Automotive Tyre Manufacturers' Association (ATMA) sale of only one category of Chinese tyres i.e. Truck/ Bus Radial Tyres has peaked to 30% of the replacement market.
- **(b):** Yes. Automotive Tyre Manufacturers Association (ATMA) has requested to put import of Truck/ Bus Radial Tyres in the restricted list, commence investigation on dumping of tyres from China and for increasing customs duty on tyres.
- (c): As per trade data, (Annexure) the volume of import of tyres had actually come down during 2014-15 from a high of 2013-14/2012-13 and has increased only in May 2015-16. It will be too early to place an immediate restriction on the basis of the trend noticed in May-June 2015. Investigation on dumping of tyres from China has been referred to Directorate General of Anti-Dumping and Allied Duties (DGAD) and Director General, Safeguards respectively for examination and appropriate action. Further, the Competition Commission of India is investigating a case against certain tyre companies for alleged contravention of the provisions of Section 3 (Anti-competitive agreements) of the Competition Act, 2002. Moreover increasing the customs duty on tyres beyond 10% would not be desirable since the customs duty as per Foreign Trade Agreements (FTAs) are lower.

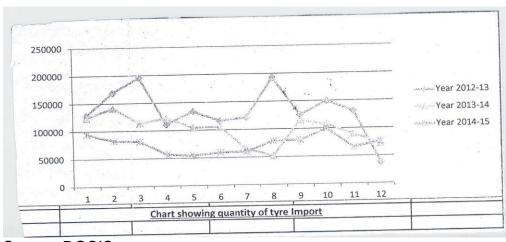
ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION NO. 54 FOR ANSWER ON 30.11.2015

Import of Radials Tyres used on Buses/Lorries

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1	2		3	4	5		6	7	8	9	10	11	12
Month	Year 2012	ear 2012-13		Year 2013-14			Year 201	14-15	Year 2015-16		% change in		% cl
]					2015-16		201
											w.r.t 2012-13		w.r.
	Qty.	Valu	е	Qty.	Value	е	Qty.	Value	Qty.	Value	Qty.	Value	Qty.
April	128997	41.1	6	124361	51.42	2	95313	55.12	86450	82.3	-32.98	99.95	-30.4
May	169513	48.0	3	142016	59.77	7	82729	52.67	104988	91.39	-38.06	90.28	-26.
June	196090	73.7	2	114150	61.05	5	81250	61.79	134029	114.78	-31.65	55.70	17.4
July	111465	67.7		123112	74.87	7	57471	53.5	<u> </u>				
August	134252	66.8	6	105242	85.99	9	55088	57.04	<u> </u>				
September	116653	61.6	3	106475	79.39	9	59982	52.84					
October	122103	56.5		65125	61.52	2	60557	53.12					
November	192941	62.6	3	52520	62.98	3	79335	73.5					
December	125708	60.6	3	116605	64.5		80227	70.11	<u> </u>				
Jan	149984	61.2	5	107403	65.6		100315	93.43					
Feb	131737	41.5	5	90636	54.95	5	66287	61.28					
March	38604	43.7	9	72077	46.99	9	76551	80.14					
Total	1618047	685.	45	1219722	769.0)3	895105	764.54	325467	288.47			
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Source: DGCIS.