

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

LOK SABHA
UNSTARRED QUESTION NO. 1321
TO BE ANSWERED ON 02nd MAY, 2016

NATURAL RUBBER

1321. SHRI PRAHLAD SINGH PATEL:

SHRI ANTO ANTONY:

PROF. SAUGATA ROY

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

- (a) the average price of natural rubber in domestic and international market during the last five months along with the details of imports of natural rubber during the said period, month and country-wise;
- (b) whether large-scale import of natural rubber has caused fall in price of natural rubber in the domestic market and if so, the details thereof;
- (c) whether the Government proposes to improve the cultivation of rubber in the country especially in North Eastern States including Manipur and if so, the details thereof along with the total revenue earned by various States therefrom, State-wise including North Eastern States;
- (d) whether the Government proposes to open a Rubber Board branch office in the North East and if so, the details thereof and if not, the reasons therefor;
- (e) whether there is any proposal to increase the import duty on natural rubber and synthetic rubber and if so, the details thereof along with the steps taken by the Government to help the rubber farmers suffering due to steep fall in the price of natural rubber; and
- (f) whether any State has sought special package for rubber farmers and if so, the details thereof ?

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): Average price of natural rubber in domestic and international markets during the last five months and Statistics on country-wise import of Natural Rubber(NR) during the last five months is given at Annexure-1.

(b): Price of NR in the domestic market is highly sensitive to the volume and timing of import corresponding to the domestic consumption. However, several other reasons which influence the rubber prices include inter alia, trends in global demand, economic growth in major consuming countries, oil/synthetic rubber prices, weather conditions, currency exchange rates of major exporters and developments in futures markets etc.

(c): The Government is implementing the scheme “Sustainable and inclusive development of natural rubber sector “during the 12th Plan with the aim of improving cultivation of Natural Rubber in the country. The Scheme includes inter alia, components for promoting expansion of area under rubber, enhancing productivity and research development activities. New planting of rubber in non-traditional rubber growing regions including North East is promoted under the Scheme. Area under rubber and production in 2014-15 including North-Eastern States is given in Annexure-II. NR is subject to levy of cess which is collected by the Centre Government in the consuming state and utilised for development of rubber sector. Details of cess collected in various states is at Annexure-III.

(d): Rubber Board has 3 Zonal offices, 14 Regional Offices and 33 Field Stations in North East for promoting rubber production/development activities.

(e): Government had enhanced the duty on import of NR from “20% or Rs.30/- per kg whichever is lower” to the maximum level of “25% or Rs.30/- per kg whichever is lower”, being the WTO bound rate. The present import duty on Synthetic rubber (SR) is 10%. There is currently no proposal to increase the import duty of NR and SR. However, the Government has taken various steps to regulate import of NR such as reduction in export obligation period, restriction on imports through specific ports and licensing under advance authorization for rubber sector. Impact of measures taken to regulate imports and promote exports are reviewed regularly by the Government in line with its overall policy for promoting overall industrial growth.

(f): State Government of Kerala has requested the Central Government to earmark Rs 500 crores from the Price Stabilization Fund maintained by the Department of Commerce for Plantation Crops with a view to provide additional price support of at least Rs.50/Kg to NR framers. Natural Rubber being a commercial crop is not considered for minimum price support. Moreover, price support of Rs 50/Kg involves cash subvention of large amounts at the current level of production for which adequate financial resources are currently not available.

Annexure-I

Annexure 1 referred to in part(a) of Lok Sabha Unstarred Question No. 1321 to be answered on 02.5.2016.

Statement showing Month-wise and country-wise import of Natural Rubber from November 2015

Month	Vietnam	Thailand	Bangladesh	Cameron	Indonesia	Sri Lanka	Malaysia	Africa	Nigeria	Côte d'Ivoire
November 2015	9084	5837	822	101	17122	0	831	0	0	827
December 2015	12314	8343	879	0	20538	6	1011	0	0	1311
January 2016	12455	5420	420	81	18219	0	968	101	101	1109
February 2016	7647	5187	0	0	12262	6	746	0	504	302
March 2016	3270	8434	208	0	15252		646	0	100	100

to March 2016 (in tonne)

(Provisional)

Statement on average price of NR in domestic and international market during the last five months

[Price in Rs per Kg]

Period	Average price of RSS-4 grade in domestic market	Average price of comparable grade (RSS3) in Bangkok
November 2015	109.54	81.63
December 2015	102.79	84.12
January 2016	97.80	83.05
February 2016	93.55	86.68
March 2016	108.12	97.76

Annexure II referred to in part(c) of Lok Sabha Unstarred Question No. 1321 to be answered on 02.5.2016.

State-wise rubber planted area and production in rubber growing states (2014-15)

State	Area (ha)	Production (tonne)
Kerala	549955	507700
Tamil Nadu	20925	23785
Traditional Total	570880	531485
Tripura	75070	47000
Assam	51795	17310
Meghalaya	14775	8510
Nagaland	14235	2390
Manipur	3955	1150
Mizoram	3550	360
Arunachal Pradesh	4065	295
North East Total	167445	77015
Karnataka	49210	34560
A&N Islands	805	205
Goa	1165	630
Maharashtra	2310	395
Odisha	1840	305
West Bengal	850	325
Andhra Pradesh	630	80
Others Total	56810	36500
Non Traditional Total	224255	113515
Grand Total	795135	645000

Annexure-III

Annexure-III referred to in part (c) of Lok Sabha Unstarred Question No. 1321 to be answered on 2.5.2016

COLLECTION OF CESS - 2014-15
(Rs '000)

	State	Cess	Interest	Total
1	Assam	466.31	2.78	469.09
2	AndhraPradesh	20332.70	203.79	20536.49
3	Bihar	144.71	0.05	144.76
4	Chandigarh	15.50	0.00	15.50
5	Chattisgarh	1008.28	5.49	1013.77
6	Delhi	6971.48	87.55	7059.03
7	Gujarat	22461.24	347.42	22808.65
8	Goa	1412.55	7.37	1419.93
9	Haryana	63559.66	555.36	64115.02
10	Himachal Pradesh	5379.43	149.43	5528.86
11	Jammu & Kashmir	200.00	0.00	200.00
12	Jharkhand	853.44	3.01	856.45
13	Kerala	179236.81	959.24	180196.05
14	Karnataka	20821.59	201.25	21022.84
15	Maharashtra	103625.49	410.84	104036.33
16	Manipur	13.98	0.00	13.98
17	Madhya Pradesh	31790.02	200.38	31990.40
18	Meghalaya	0.00	0.00	0.00
19	Mizoram	0.00	0.00	0.00
20	Nagaland	0.00	0.00	0.00
21	Orissia	45942.52	22.18	45964.70
22	Pondicherry	3991.07	8.73	3999.80
23	Punjab	109715.04	1862.63	111577.68
24	Rajasthan	122340.04	303.29	122643.33
25	Sikkim	0.00	0.00	0.00
26	Tamilnadu	231507.33	603.07	232110.41
27	Tripura	3583.56	0.00	3583.56

28	Uttar Pradesh	61558.88	538.79	62097.68
29	Uttaranjal	6397.12	56.83	6453.94
30	West Bengal	17108.01	244.43	17352.44
	Sole Crepe	142.00	0.00	142.00
	Dealers/Unreg	64.94	0.00	64.94
	Old Dues	4.00	0.00	4.00
	Total	1060647.71	6773.89	1067421.60