

'Govt move to hike rubber import duty will hit SME units'

Our Bureau

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Protest is brewing among the rubber industry over the Government's move to hike import duty on natural rubber. Small-scale rubber units, around 4,500 across different clusters, have represented to the ministers of Commerce, Finance and MSME to reconsider the proposed duty hike. All-India Rubber Industries Association (AIRIA), the representative body of small and micro rubber units, has pleaded with the Government that the proposed 70 per cent increase in duty on import of natural rubber will severely hit the SME rubber units and around 4.5 lakh people working, therein. There is no significant differential in the current domestic and international rubber prices which should warrant a drastic action on the lines proposed, it said.

According to Rubber Board data, the price differential between domestic and international rubber prices is currently less than five per cent. The main concern of rubber growers and their representatives that there was significant price differential to the tune of Rs 20/kg necessitating import curbs was no longer the case, Niraj Thakkar, President, All-India Rubber Industries Association, said in a statement.

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