

Rubber industry protests against port restrictions of NR import

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KOCHI: Rubber industry has taken strong exception to the step by the Centre to restrict the natural rubber imports into the country through Nhava Sheva and Chennai ports following a demand from the growers to curb rising imports which they feel have contributed to the meltdown in NR prices

Terming the measure as 'anti-industry' All India Rubber Industries Association (AIRIA) and Automotive Tyre Manufacturers Association (ATMA) said in the April-Nov period of current fiscal for which data is available, domestic NR deficit has been 2.8 lakh tonnes and imports of equivalent amount (2.8 lakh tones) have been contracted by the industry.

"Despite the fact that rubber prices in India are about 20% higher than international prices, there is acute deficit. Port restrictions are another way of putting non-tariff barriers for import of raw materials", said Dr [Raghupati Singhania](#), chairman [ATMA](#).

According to the industry, India already levies one of the highest duties on import of NR and one of the lowest duties on import of finished rubber goods. As a result the competitiveness of the Indian rubber industry is affected and many rubber units have already closed down.

"Prime Minister had assured that rubber products manufacturing will be included in Make-in-India. However there cannot be any Make-in-India if raw material is not available or if restrictions are placed on its availability to the manufacturers", said Mohinder Gupta, president [AIRIA](#).

The industry associations said in a statement that earlier the export obligation period was drastically reduced from 18 months to 6 months wherever natural rubber is allowed as an input (under Advance Authorisation scheme) making it difficult for [MSMEs](#) to cope with such stiff laws. Later the import duty on natural rubber was enhanced to 25% making it one of the highest in the world. And now port restrictions have been placed on import of rubber.

"If the Kerala or Central Government wishes to help and support the rubber growers, it should be done directly by way of a subsidy to the growers as has been done by the governments of other major rubber producing countries, i.e. Thailand, Malaysia, Indonesia, Sri Lanka etc", added Gupta.



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