

Users want Govt to buy land abroad for growing rubber

Urge replicating China's 'farm-to-fork' concept

Our Bureau

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To bridge the gap between production and consumption, the rubber consuming industries have asked the Government to explore avenues for acquiring land overseas to grow natural rubber trees.

As the availability of land is limited in the traditional rubber growing areas, the All-India Rubber Industries Association (AIRIA) and the Automotive Tyre Manufacturers Association (ATMA) have called for evolving a new model, including public-private partnership, to intensify rubber cultivation in non-traditional areas in the North-East.

Making a presentation to the Rubber Board for 12th Plan proposals on the sector, they stated that taking cue from China urgent policy interventions are imperative to ensure timely and competitively priced availability of natural rubber to user industries. India should take up integrated project on the lines of Rubber Valley project in China to replicate the concept of 'farm to fork' for rubber by covering the complete value chain from plantation stock to finished products.

Later speaking at a press conference, Mr Vinod Simon, President, AIRIA, pointed out that there is growing deficit between domestic production and consumption of rubber in the country. Rubber import is, therefore, inevitable or else import of finished products will take place denying the opportunity of value-addition within the country. He said that domestic natural rubber deficit and expensive imports have been inhibiting the rubber industry from blossoming.

Stressing the need for a twin-pronged strategy to bridge the growing deficit between domestic natural rubber production and consumption, Mr Rajiv Budhraj, Director-General, ATMA, said that the domestic production needs to be enhanced by taking up replanting as a top priority and undertaking major planting initiatives in non-traditional areas.

Reiterating the demand for duty-free import of 2,00,000 tonnes of natural rubber during the current financial year, Mr Budhraj said that production has increased by only one per cent in the last four fiscal, while consumption has increased by

over 15 per cent. In the current fiscal, the domestic production is likely to lag behind domestic consumption by 1,89,000 tonnes. This is in view of the fact that new capacities and major expansion undertaken by tyre companies to cater to booming automobile industry will lead to an increased consumption by 1,50,000 tonnes, he said.

The Rubber Board has projected an increase of 40,000 tonnes in natural rubber consumption (from 8.62 lakh tonnes to 9.02 lakh tonnes) for 2011-12.

Accordingly, the gap between domestic production and consumption has been put at 75,000 tonnes by the Board which is at wide variance with industry estimates based on actual capacity expansion, he said. Mr Simon also emphasised the need for setting up a development commissioner on the lines of development commissioners in jute and textile sectors to oversee the overall development of rubber sector, particularly SSI units, which have borne the brunt of unprecedented increase in rubber prices and are turning unviable.