

Rubber farmers desert farms as prices crash

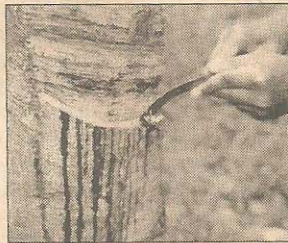
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Kochi, Dec 10: Natural rubber (NR) production in India is likely to decline sharply with farmers abandoning large areas due to unremunerative prices. Higher imports of NR has led to a sharp decline in prices hurting more than 12 lakh growers.

United Planters' Association of South India (UPASI), the apex body of planters in the southern states, said here that among world producers, India is showing the maximum negative growth in pro-

duction of -21%. India is the world's second-biggest consumer of the commodity and the world's fifth-biggest producer. The country produced 655,000 tonne of NR in the 2014-15 crop year.

"In 2014-15, import was to the tune of 76% of production and 43% of consumption. UPASI understands the need for import to bridge the gap between consumption and production, but the unbridled imports beyond this gap is clearly causing harm to the domestic growing industry," N Dharmaraj, president of



UPASI, said. "Projected production for 2015-16 is expected to be below 600,000 tonne since large areas are being abandoned due to low prices. Dwindling production will not only affect the income of the growers but also lead to

higher imports," he added.

Suresh Koshy, president of National Federation of Rubber Producers Society, pointed out large scale imports of Block rubber (TSR) from southeast Asian nations is depressing rubber prices forcing growers to discontinue production. "Rubber imports this season ending October 2015 at 2.52 LT equal to 76% of the quantum of NR produced in the country. This year's production of NR which may be 6.0-6.5 lakh tonne is the lowest in the last 10 years and points to the distress in the sector," he said.