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'Rubber imports needed to bridge supply-demand gap'

OUR BUREAU

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Maintaining that there have been no excess rubber imports, the consuming industries stated that imports are critical to bridge the widening gap between domestic production and consumption.

The industry, citing Rubber Board figures, claimed that imports in the first 11 months of the current fiscal match the gap between domestic production and consumption.

According to them, domestic rubber prices have been ruling much higher than international prices and there are hardly any stocks available in the country.

With domestic rubber production sliding, the industry has no other option but to import rubber even though

there is a stiff import duty of 25 per cent, said Rajiv Budhraj, Director-General, Automotive Tyre Manufacturers' Association, said in a statement.

Quoting Rubber Board data, he said production-consumption gap in natural rubber during the April-February '16 period has been substantial 3.67 lakh tonnes. And imports are to the tune of 3.93 lakh tonnes which cannot be termed excessive.

Mohinder Gupta, President, All India Rubber Industries Association, said the industry should not be penalised for imports when domestic production is so short of consumption.

The Union government has already put curbs on NR import making it difficult for the rubber MSMEs to source this key raw material.