

Rubber Output, Import may be at Same Level This Year

After setting a target of 7 LT for 2018-19, the Rubber Board scaled it down to 6 LT

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Kochi: In the face of rising consumption and declining production, the annual output and import of natural rubber in the country may reach the same level for the first time in the current year.

Rubber Board, after setting an annual production target of 7 lakh tonnes for 2018-19, scaled it down to 6 lakh tonnes as inclement weather forced a plunge in the output in the first half of the year. It now appears the import too may reach around 6 lakh tonnes. In 2017-18, the production stood at 6.94 lakh tonnes.

As per the latest data of Rubber Board for seven months to October 2018, the production has dropped 10% from last year to 3,44,000 tonnes. The consumption has jumped 16% to 7,16,040 tonnes for the period. This has resulted in 35% increase in the import into the country at 3,56,255 tonnes.

“In the current situation it is likely that both the production and im-

port reach the same figure,” said CJ Augustine, secretary of Indian Rubber Dealers Federation. After September, the tapping has improved. In October alone the production reached 67,000 tonnes, which is 5,000 tonnes more than a year ago.

But the sliding local prices, tracking the global trend, may discourage small growers from regular tapping. Sheet rubber prices have dropped about 6% this month to ₹118 per kg. “Around 5-10% of the

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growers may stop tapping as it is not viable at the current price level,” Augustine said.

Though the peak harvest season has started, he said the yield has not been up to the expected level though it is better than earlier months. The demand from tyre companies has been sluggish as imported rubber is available at cheaper prices.

The highest production ever of over 9.03 lakh tonnes was reached in 2011-12. At that time consumption stood at 9.64 lakh tonnes and the import was 2.14 lakh tonnes. In the last four years, the shrinking production and mounting consumption have seen the import go above 4 lakh tonnes.