

# UPASI for Freezing Imports as Natural Rubber Prices Nose-dive


by Pramod Thomas

**Kochi:** Hearing the names like Guayule and Russian dandelion may cause a heart attack on the 12 lakh rubber growers in the country, 90 per cent of which in Kerala. These are potential alternative sources of natural rubber and commercial production of rubber using them have already started in the US and Europe.

The news comes at a time when rubber price is at six year low. The price has nose-dived by 22.58 per cent from ₹130.45 per kg on January 1, 2015 to ₹101/kg (RSS4, Kottayam) on December 15.

Considering the grave situation, the United Planters' Association of Southern India

(UPASI) has demanded an 'immediate freeze' of rubber imports due to the sharp fall

RUBBER PRICE		TYRE MAJORS PROFIT IN Q2	
Period	Price/kg	Company	Profit
2008-09	₹101.12	<b>MRF Tyres</b>	<b>₹460.73 cr</b>
2009-10	₹114.98	Apollo Tyres	₹217.47 cr
2010-11	₹190.03	<b>JK Tyres</b>	<b>₹109.70 cr</b>
2011-12	₹208.05	CEAT Ltd	₹114.93 cr
2012-13	₹168.80		
2013-14	₹166.02		
2014-15	₹132.57		

in prices.

UPASI President N Dharmaraj told *Express* that "the government should intervene immediately and the import has to be frozen till natural rubber price picks up". The country has imported 2.53 lakh tonne of rubber during the period of April-October

2015-16.

"Rubber prices have touched rock bottom levels. There is an urgent need for government intervention to freeze imports at least temporarily, to create greater demand for domestic natural rubber. The issue of price fall aggravated due to imports,"

accused Dharmaraj.

Rubber growers are of the opinion that tyre companies are making steady profit only due to cheaper imports.

Another heart-burning fac-

**THE UNION GOVERNMENT SHOULD INTERVENE IMMEDIATELY AND THE IMPORT HAS TO BE FROZEN TILL NATURAL RUBBER PRICE PICKS UP**

— N DHARMARAJ,  
UPASI President

tor for rubber growers in the country is that global tyre makers like Bridgestone Corp and Continental AG have started producing tyres using natural rubber from Guayule

and Russian dandelion. Indian tyre maker Apollo Tyres is also part of the research team in Europe which is trying to produce tyre from Russian dandelion.

In the past, the price of rubber has declined from ₹241/kg in April 2011 to ₹126 in February and reached ₹101.

"The prediction of International Rubber Study Group says that the price of rubber will remain low till 2025.

World over many research has been going on to find out an alternative to rubber.

Commercial production of rubber using Guayule and Russian dandelion has already started.

It is the duty of the government to intervene to protect the interest of growers in the country," said C Vinayaraghavan, Chairman, Association of Planters of Kerala.

But All India Rubber Industries Association (AIRIA) is not ready to buy these arguments as it says domestic prices are still about 20 per cent higher than international prices.

"Not only prices are ruling higher in India but price realisation to the grower in India is around 95 per cent of the market price while realisation to growers in other countries is just 60-65 per cent.

We believe that efficiency of Indian rubber plantation sector needs to be enhanced so that cost of production comes down and quality goes up. Government and Rubber Board need to support growers with subsidies for productivity enhancement. But we only hear about putting more duties on the industry which is unfortunate," said Mohinder Gupta, President, AIRIA.