

Rubber industry body demands import duty cut

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Kochi: All India Rubber Industries Association (AIRIA), in its pre-budget submission to the Union government, demanded to keep the import duty of raw materials lower than that of finished products.

The association also asked for a reduction in customs duty on natural rubber from the current 20% or Rs 20 per kg to 7.5% or Rs 10 per kg, whichever is lower.

“In view of high rate of import duty on most of the raw materials ranging from 20% to 70%, the cost of finished goods is higher than the landed cost of imported finished goods. This leads to unwarranted imports of finished goods from neighbouring countries, causing injury to domestic producers,” said Niraj Thakkar, president of AIRIA. The industry body has also asked for a duty-free import of 1 lakh tonnes of natural rubber to bridge the demand — supply gap, which is estimated to be over 1.5 lakh tonnes in the next fiscal.