

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:6030
ANSWERED ON:03.05.2010
PROBLEMS FACED BY RUBBER INDUSTRY
Panda Shri Baijayant

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the rubber industry is facing certain problems in exports on account of the rise in cost of its raw-materials;
- (b) if so, the details thereof;
- (c) whether the industry has urged the Government to permit duty-free synthetic/natural rubber import to tide over the crisis; and
- (d) if so, the details thereof alongwith the action plan of the Government to help this sector in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) &(b): No, Madam. While the increase in rubber price does not influence the export of rubber products to any great extent, the slowdown of export of rubber products may be attributed to other factors like global recession.

(c) &(d): Yes, Madam. Representations have been received from the rubber industry to permit duty free import of rubber. Government is of the view that duty free import of natural rubber cannot be permitted on account of sufficient availability of natural rubber in the domestic market. However, duty free import of raw materials is permitted as export incentives under various duty exemption and remission schemes. With a view to helping the various stakeholders of the sector, Government has been implementing various schemes in order to improve production, productivity and exports of rubber.