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Title: Need to safeguard the interests of natural rubber growers in the country.

SHRI JOSE K. MANI (KOTTAYAM): The rubber user industry has been carrying on a campaign on the alleged shortage of natural rubber in Indian market. They are trying to pressure the Government to regulate the price of Natural Rubber through steps such as removal of duties, fixing a price band and banning future trade of natural rubber. In India 90% of the Natural Rubber is being produced by the Small and Marginal farmers and their number is about 11.5 lakhs. Natural rubber is included in the negative list of ASEAN Agreement due to its strategic significance as an agricultural crop. Therefore, any attempt to reduce the import duty, directly or indirectly, will adversely affect the protected status of rubber. At present the import duty of the Natural Rubber is only 20% which is lower than any other plantation crop. About 98% of the total consumption of Natural Rubber is domestically produced in India. Hence, inverse duty structure is irrelevant because of the fact that the Indian Rubber Industry is not dependent on external source for its raw material requirements.

The demand for the duty free import and reduction of import duty is only a tactical measure to reduce the price of natural rubber in the domestic market. The phenomenon of price rise is common to all agricultural commodities and hence any move to victimize the rubber farmers shall be considered as unwarranted and untimely. It is, therefore, necessary to reject all the proposals raised by the Rubber user industry and provide adequate protection to the rubber growers.

...(Interruptions)

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