

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
STARRED QUESTION NO. 75
TO BE ANSWERED ON 26th JUNE, 2019

POTENTIAL OF RUBBER INDUSTRY

*75. SHRI H. VASANTHAKUMAR:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the Government has taken/proposes to take measures to meet the challenges posed by free import of rubber products, high interest costs leading to slow shift in high-technology equipment, low rate of value addition, etc.; and
- (b) if so, the details thereof and the time by which these issues are likely to be resolved?

ANWSER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

a) and b): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) and (b) OF LOK SABHA
STARRED QUESTION NO. 75 FOR ANSWER ON 26th JUNE, 2019
REGARDING "POTENTIAL OF RUBBER INDUSTRY".

(a) & (b): Import of goods is done by importers as per the applicable import policy related to the goods. Import of goods can be free, restricted or prohibited. Import of rubber products except retreaded/used tyres (HS 4012) is free without any restriction. "Free" import means the item can be imported without any restriction but with payment of applied import duty while complying with other domestic laws, rules and regulations. The value of import of rubber products increased from Rs 5,074 Crore in 2010-11 to Rs 9,378 Crore in 2017-18. The value of export of rubber products increased from Rs 8,447 Crore in 2010-11 to Rs 20,916 Crore in 2017-18. The trade surplus in rubber products increased from Rs 3,373 Crore in 2010-11 to Rs 11,538 Crore in 2017-18. The Indian Rubber Manufacturers Research Association (IRMRA) and the Rubber Board under take product development research and provide training, technical consultancy and testing services for the rubber products industry. The National Rubber Policy has already been issued, interalia, to promote the development of rubber product manufacturing and exports. Further, with regard to import of rubber products following measures have been undertaken:

- (i) the import of rubber tyres was examined in budget exercise 2018-19 and accordingly the basic customs duty (BCD) rate was increased from 10% to 15% on Truck and Bus radial tyres falling under tariff item 40112010.
- (ii) BCD rate was increased from 10% to 15% on motor cars radial tyres falling under tariff item 40111010 with effect from 27th September, 2018.
- (iii) Anti-dumping duty has been levied on acrylonitrile butadiene rubber, styrene butadiene rubber (SBR) and new/unused pneumatic radial tyres originating in or imported from certain countries.
