

## **Rubber supply seen up 4.7% this year; offtake may rise 4.8%**

Global rubber supply will increased 4.7 per cent to 10.83 million tonnes (mt) this year, while consumption is likely to increased by 4.8 per cent to 11.59 mt, according to Kamarul Baharain Basir, Secretary-General of the Association of National Rubber Producing Countries.

Of this, China would consume 3.67 mt and India one million tonnes, he said, inaugurating the 4th Indian Rubber Summit and Dinner 2012 here.

The Governments should extend incentives to farmers to step up production and the industry needs to be encouraged to set up captive rubber plantations to bridge demand-supply gap, he said.

Mr Basir said that opportunities for production and demand growth for natural rubber globally are encouraging in view of the improvement in the economic indicators of the US, China, Japan and Europe.

James Jacob, Director, Rubber Research Institute of India (RRII), Kottayam, said that with the aid of satellites, RRII has successfully developed the capability to identify potential area for new rubber cultivation in any part of the world and to study impact of global warming on productivity.

From satellite images, it is estimated that Tripura has about 58,637 hectares of rubber plantations as of March and a potential to cultivate rubber in 1,00,000 hectares.

The North-East has the potential to grow rubber in 4,50,000 hectares, while only less than one-fourth of the actual potential has been achieved now, he said.

According to Rajiv Budhreja, Director-General, Automotive Tyre Manufacturers Association, there has been unprecedented capacity creation in tyre sector in the last 4-5 years in view of the rise in demand from the automobile sector. The new thrust being given by the Government for development of road infrastructure has led to 33 per cent increase in bus production in two years, he said.

Vinod Simon, President, All-India Rubber Industries Association, pointed out that India will be the second largest global player in rubber by 2020, next only to China.

India is the fourth largest commercial vehicles market and the second largest two-wheeler market globally and is poised to become a global automobile hub.

P.C. Cyriac, former Chairman, Rubber Board, suggested a three-tier mechanism comprising rubber producers societies, rubber marketing societies and rubber marketing federation for boosting rubber production and marketing in the country.