

Govt will intervene to protect rubber growers from price fluctuation

NEW DELHI, The Commerce and Industry Minister Anand Sharma has said that the Government will intervene to ensure that domestic rubber producers are not affected by price fluctuation.

Rubber producers and MPs from Kerala had petitioned the Government to raise import duty on natural rubber to shield farmers from a sharp fall in prices in the recent months.

While not elaborating on the measure that would be taken, the Minister said the Commerce Department had convened a meeting on the issue recently that was also attended by the Rubber Board Chairman and a decision has been taken to take appropriate action.

“The Government has taken a view so that the domestic producers are not affected by price fluctuation. There was a formula which was recommended by the expert committee. And we had said that we keep a careful watch and the Government makes intervention when necessary and that will happen,” Sharma told reporters on Friday on the sidelines of a Handloom National Consultation.

There is a possibility that an increase in import duty on natural rubber may be announced soon as the Commerce and Industry Ministry has reportedly proposed such a move.

The increase could be as much as 70 per cent to Rs 34 a kg over the prevailing duty of Rs 20/kg (or 20 per cent of the domestic price, whichever is lower).Business Line