

Rubber industry urges govt to abolish Customs duty

At least 294 rubber product manufacturing units, mostly small and tiny, have closed operations in the last five years. The All India Rubber Industries Association (AIRIA) on Monday urged the government to abolish Customs duty on imported raw materials (butyl and other hi-tech synthetic rubbers) and other key supplementary products. Troubled by cheap finished products imports from China, the body wants the government to act tough against them and help the industry survive and operate in competitive market conditions. Presenting the industry's bleak picture, it said, at least 294 rubber product manufacturing units, mostly small and tiny (operating less than 100 tonne), had already shut shops. Besides, around 5,500 small units would be affected due to this. The maximum import duty on finished goods from China and other countries was 10 per cent, it said, adding, on key raw materials, including natural and synthetic rubber, this was between 10 per cent and 70 per cent. This at a time when local consumption was facing a production shortfall. It claimed the absence of quality checks on imported goods, which at times are manufactured from scrap making them highly environment-unfriendly. Moreover, these goods do not comply with the Bureau of Indian Standards. The body said with over 35,000 rubber products, it was difficult to prove the dumping charges and with most of the manufacturers being small, they do not have the resources to initiate the anti-dumping proceedings.