

BUSINESS

New Delhi, June 7, 2016

India may import 3 lakh tonne natural rubber from Thailand

- PTI

Faced with rubber shortage, India is looking to import about three lakh tonnes (LT) of natural rubber from Thailand to meet its domestic requirement.

India's annual demand for natural rubber is more than 10 lakh tonnes, while the domestic production is stagnant at about 5 lakh tonnes.

"The rubber authority of Thailand is offering about 3 lakh tonnes of natural rubber to India. Negotiations have started between the domestic tyre, rubber industry and the Thai authority," All India Rubber Industries President Mohinder Gupta said.

A high-level delegation of Thailand, comprising governor of its rubber authority Titus Suksaard, is on a visit to India for negotiations.

"As of now we are in talks with Indian industry players to export about 3 lakh tonnes of natural rubber," Suksaard said adding that Thailand want to at least double its exports of natural rubber to India to 4 lakh tonnes.

Suksaard also invited Indian rubber and tyre industry to invest in the proposed rubber city which is being established in Thailand for rubber and tyre industry.

"In view of the rising gap in domestic production and demand of natural rubber, the visit of Thailand delegation has significance and it will yield good results for both the countries," All India Tyre Manufacturers Association Director General Rajiv Budhraj said.

The domestic rubber production declined 13 per cent to 5.63 lakh tonnes in 2015–16, while imports during the period rose by 3 per cent to 4.54 lakh tonnes.

In April last year, the government hiked the import duty on natural rubber to 25 per cent or Rs 30 per kg, whichever is lower, to protect the interest of domestic growers and curb imports.
