

Regarding problems being faced by rubber growers in the country due to import of compound rubber under the India-ASEAN Free Trade Agreement-laid

SHRI ANTO ANTONY (PATHANAMTHITTA): As per existing import policy, Natural Rubber attracts a 25% import duty. The Honble Finance Minister had also announced in the Union Budget that compound rubber would be taxed at par with Natural Rubber, as it essentially comprises NR mixed with additives and is often imported under a different HSN Code (4005 instead of 4001) to bypass regulations. However, compound rubber continues to enter the country at 05% duty due to provisions under the India-ASEAN Free Trade Agreement, particularly from countries such as Thailand, Indonesia, Malaysia, and Singapore. One of the primary reasons for this decline in NR prices is the excessive import of rubber into the country. While Natural Rubber is a key input for the tyre industry, major tyre manufacturers have been importing NR not only to meet their requirements but also, allegedly, to influence and suppress domestic raw material prices. An excessive import of rubber during the period April-December 2025 is 360500 metric tons taken place in the country. Therefore, I request the Government to take urgent steps to restrict import of compound rubber by misusing HSN code from ASEAN countries.