



THE YEAR 2020-21

NATURAL RUBBER (NR)

Production Sector

Natural Rubber (NR) production in the country during 2020-21 was 715,000 tonnes compared to 712,000 tonnes during 2019-20 recording a slight growth of 0.4% compared to a growth of 9.4% registered during the previous year. The growth in production even in the midst of COVID-19 pandemic in the country is attributed to several factors such as measures taken by the Rubber Board to increase production and productivity, favourable climate, supply of inputs, especially rainguarding materials through Board promoted companies, continuation of RPIS scheme, relatively higher price of rubber, promoting self tapping so as to reduce the cost involved and thereby increase the profit, adoption of untapped area into tapping, Tappers Intensive Skill Development Programme (TISP), timely intervention by the Board in controlling diseases, etc. Even though the tappable area under rubber was 692,900 ha during 2020-21, only 496,000 ha (71.6%) has contributed to the NR production during the year.

The average yield, measured in terms of production per hectare of tapped area decreased to 1,442 kg/ha in 2020-21 from 1,459 kg/ha in the previous year. The country produced 64.7% Ribbed Smoked Sheet (RSS), 20.1% Technically Specified Rubber (TSR) and 12.4% latex concentrates of the total 715,000 tonnes.

Consumption Sector

The domestic consumption of NR in 2020-21 was 1,096,410 tonnes, down 3.3% from the quantity of 1,134,120 tonnes consumed during 2019-20. The auto tyre sector recorded a growth of 3.2% during 2020-21 as against a high negative growth of 12.5% recorded during 2019-20. At the same time, the general rubber goods sector registered a negative growth of 16.4% during 2020-21 compared to a positive growth of 8.6% during 2019-20. The positive growth of auto tyre sector in NR consumption was supported by the amendment by Government of India, vide Notification No: 12/2015-20

dated 12 June 2020, in import policy of New Pneumatic tyres covered under ITC HS Code 401110, 401120, 401140 and 401150 from 'Free' to 'Restricted'. Additionally, an extension has been granted vide Policy Circular No.33/2015-20 dated 23 April 2020 by Government of India in the import validity period and export obligation period in advance authorisation DFIA expiring from February to July 2020. Auto-tyre manufacturing sector accounted for 71.2% of the total quantity of NR consumed in the country during 2020-21.

Out of the total NR consumed by the industry, 47.6 % were RSS, 42.3% TSR and 7.7% latex concentrates in 2020-21.

Import & Export

As per data available from the Directorate General of Commercial Intelligence & Statistics (DGCI&S), the import of NR declined during 2020-21 by 10.2% to 410,478 tonnes from 457,223 tonnes during 2019-20. During 2020-21, 86% of the total NR import was in the form of block rubber. Among the source countries of imports of NR into India, Indonesia dominated with a share of 39% in the total volume imported during 2020-21, followed by Vietnam (18%) and Cote D'Ivoire (11%).

The volume of NR Exports from the country also decreased to 11,343 tonnes in 2020-21 from 12,872 tonnes in 2019-20. Relatively higher price of Latex concentrates prevailed in overseas markets from June'20 to December'20 kept export of the same attractive during the year 2020-21. The main form of natural rubber exported from the country was Latex concentrates (76%) and main destination country was China.

Stock

The total stock of NR with growers, processors, dealers, and manufacturers at the end of March 2021 was estimated at 348,816 tonnes, inclusive of unprocessed form of rubber held by growers, dealers and processors.

Table 1 : Price of Natural Rubber (Rupees per 100 Kg)

Month/Year		RSS 5	RSS 4	RSS 3	Latex (60% drc)		ISNR 20	SMR 20
		Domestic	International	International	Domestic	International	Domestic	International
April	2020	NT	NT	10394	NT	12248	NT	8405
May	"	10980	11573	10538	13372	12745	10592	8319
June	"	11610	12013	11438	14185	14400	10584	8720
July	"	12321	12683	11518	13547	13925	10766	8903
August	"	12846	13219	13012	13117	14155	10965	9782
September	"	12952	13415	14400	12888	14532	10918	10049
October	"	13781	14223	16112	14975	17275	11598	11185
November	"	14894	15617	16963	17877	18983	12358	11617
December	"	14888	15842	17071	17620	17933	12959	11608
January	2021	14262	15188	15876	18118	16895	12610	11572
February	"	15119	15604	16355	19148	17923	14110	12305
March	"	16274	16659	16894	21257	20433	15013	12758
Average 2020-21		13630	14185	14214	16009	15954	12043	10435

Note: Domestic price refers to Kottayam market, international RSS 3 refers to Bangkok market and international price of latex and SMR 20 to Kuala Lumpur market.

PRODUCTION AND CONSUMPTION OF NR & SR

(Metric Tonnes)

Type-wise Production & Consumption of NR & SR	March 2021	March 2020	April 2020 to March 2021	April 2019 to March 2020	Percentage increase (+)/ decrease(-) of (3) & (4)
	(1)	(2)	(3)	(4)	(5)
PRODUCTION					
Natural Rubber (NR)					
Ribbed Smoked Sheet (RSS)	23050	15850	462915	487265	
Solid Block Rubber	13500	9550	143355	121180	
Latex Concentrates (drc)	8350	5650	88680	80300	
Others	1100	950	20050	23255	
Total	46000	32000	715000	712000	0.4

Synthetic Rubber (SR)^P

Styrene Butadiene (SBR)	23958	19620	236479	250172	
Poly Butadiene(BR)	11800	11363	128564	129920	
Others	7952	2687	63277	18848	
Total	43710	33670	428320	398940	7.4
Total NR & SR	89710	65670	1143320	1110940	2.9

CONSUMPTION ***Natural Rubber (NR)**

Ribbed Smoked Sheet (RSS)	57770	37550	522260	504200	
Solid Block Rubber	46000	30150	463860	519400	
Latex Concentrates (drc)	9880	6350	84645	84320	
Others	2850	1950	25645	26200	
Total	116500	76000	1096410	1134120	-3.3
Out of which Auto Tyre Manufacturers	84694	47995	780588 ^R	756265	3.2

Synthetic Rubber (SR)^P

Styrene Butadiene (SBR)	33000	22890	328420	359055	
Poly Butadiene(BR)	19850	12200	182000	185285	
Others	11635	6410	107580	105270	
Total	64485	41500	618000	649610	-4.9
Out of which Auto Tyre Manufacturers	45822	26717	429295 ^R	427774	0.4
Total NR & SR	180985	117500	1714410	1783730	-3.9
Out of which Auto Tyre Manufacturers	130516	74712	1209883	1184039	2.2

*: indigenous and imported

R : Revised Note: Revised the typewise production of NR for the year 2020-21

PRODUCTION, CONSUMPTION AND STOCK OF RECLAIMED RUBBER (RR)

(Tonnes)

	March 2021	March 2020	April 2020 to March 2021	April 2019 to March 2020
Production Consumption and stock of RR	(1)	(2)	(3)	(4)
Reclaimed Rubber (RR)				
Production [@]	15150	8410	141180	137010
Consumption	14350	7895	139700	136110
Out of which Auto Tyre Manufacturers	5142	2605	48812	43953
Stock with Manufacturers (end of month/year)	15685	14205		

[@]: indigenous purchase by manufacturers**IMPORT AND EXPORT OF DIFFERENT FORMS OF NR**

Type	IMPORT (p)		EXPORT (p)	
	2020-21	2019-20	2020-21	2019-20
RSS Grades	48800	66883	369	226
Solid Block Rubber	354070	379650	1855	11703
Latex Concentrates(drc)	4100	8845	8663	878
Others	3508	1845	456	65
Total	410478	457223	11343	12872
IMPORT OF SYNTHETIC RUBBER				
	March 2021	March 2020	April 2020 to March 2021	April 2019 to March 2020
Synthetic Rubber (SR)	39633	20300	312438	314378

STOCK AT THE END OF MARCH 2021

(Metric tonnes)

Natural Rubber				
	Tradable	Total	Type	Total
With Growers	67000	85000	Ribbed Smoked Sheet	224250
With Dealers & Processors	93000	114000	Solid Block Rubber	73790
With Auto Tyre units [©]		125250	Latex(drc)	24050
With other manufacturing units		24566	Others	26726
Total	160000	348816[#]	Total	348816[#]

[©]: including stock in transit[#]: including unprocessed forms of NR kept with grower, dealer & processor

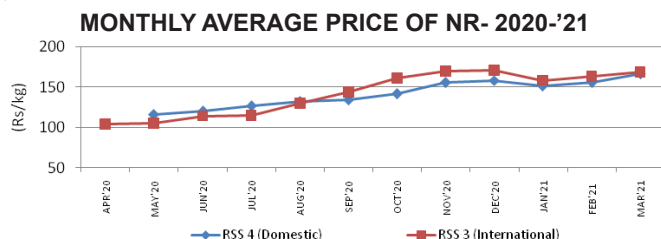
Synthetic Rubber**			
With Producers ^(d)	35100		
With Auto Tyre units	58510	SBR	73830
With other manufacturing units	31340	Others	51120
Total	124950	Total	124950

p:provisional (d): including their accredited stockists **: including export

NR Prices

Annual average price for domestic RSS 4 grade rubber for the year 2020-21 was Rs. 141.85 per kg compared to Rs.135.22 per kg in 2019-20. During 2020-21, the average price of international RSS 3 grade was Rs.142.14 per kg and it was Rs.116.01 per kg during 2019-20. Domestic RSS 4 price peaked at Rs.171.00 per kg on 16 March 2021 and international price of RSS 3 peaked at Rs. 201.56 per kg on 28 October 2020. Domestic RSS 4 price was ruling above the international RSS 3 price upto August 2020 and the trend reversed throughout the remaining part of the year 2020-21.

The chart depicting the monthly average price of RSS 4 in domestic market and that of RSS 3 grade in international market during the year 2020-21 is given below.



SYNTHETIC RUBBER (SR)

Production & Consumption

Synthetic Rubber production increased to 428,320 tonnes during 2020-21 from 398,940 tonnes during 2019-20, registering a growth of 7.4% as against a growth of 4.8% during 2019-20. During 2020-21, shares of styrene butadiene rubber and poly-butadiene rubber were 55.2% and 30% respectively, which were 62.7% and 32.6% during 2019-20.

SR consumption decreased to 618,000 tonnes during 2020-21 registering a negative growth of 4.9% as against 649,610 tonnes consumed during 2019-20. The Auto tyre sector consumed 429,295 tonnes of SR during 2020-21 as against 427,774 tonnes during 2019-20, recording a slight positive growth of 0.4% as against a negative growth of 8.6% registered during 2019-20. During 2020-21, the ratio of consumption between NR and SR in India was 64:36.

Consumption details of NR and SR are summarized in Table 1.

Table 2: CONSUMPTION OF NR AND SR

	2020-21p (tonnes)	2019-20	Growth (%)
Natural Rubber			
Auto Tyres & Tubes	7,80,588	7,56,265	3.2
General Rubber Goods	3,15,822	3,77,855	-16.4
Total NR	10,96,410	11,34,120	-3.3
Synthetic Rubber			
Auto Tyres & Tubes	4,29,295	4,27,774	0.4
General Rubber Goods	1,88,705	2,21,836	-14.9
Total SR	6,18,000	6,49,610	-4.9
NR & SR			
Auto Tyres & Tubes	12,09,883	11,84,039	2.2
General Rubber Goods	5,04,527	5,99,691	-15.9
Total NR & SR	17,14,410	17,83,730	-3.9

p: provisional

Import of SR by rubber goods manufacturing industry during 2020-21 decreased to 312,438 tonnes compared to 314,378 tonnes during 2019-20.

Global Rubber Scenario – 2020

Production

According to the International Rubber Study Group (IRSG), world NR production during 2020 was 13.008 million tonnes compared to 13.701 million tonnes produced in 2019, registering a negative growth of 5.1%. During 2020, NR production in main producing countries viz; Thailand, Indonesia, China, Malaysia and India decreased, whereas production in Vietnam and Cote d'Ivoire increased when compared to 2019. India was the sixth largest producer of NR in 2020 with a share of 5.3% of world production.

Table 3 : COUNTRY-WISE PRODUCTION OF NR
(‘000 tonnes)

Country	2020p	2019	% Growth
Thailand	4372	4851	-9.9
Indonesia	3037	3301	-8.0
Vietnam	1222	1185	3.1
Cote d' Ivoire	950	808	17.6
China	693	813	-14.8
India	685	702	-2.4
Malaysia	515	640	-19.5
Other Countries	1534	1401	9.5
World Total	13008	13701	-5.1

Source: Natural Rubber Statistics – June 2021 of Association of NR producing Countries (ANRPC) for country-wise figures and Rubber Statistical Bulletin (April-June 2021) of International Rubber Study Group (IRSG) for world total.

Consumption

World NR consumption decreased to 12.710 million tonnes in 2020 recording a negative growth of 6.8 %, compared to 13.640 million tonnes in 2019. Consumption of NR in China, India, USA, Thailand, Japan, Indonesia, Brazil and Republic of Korea decreased during 2020 compared to previous year, whereas NR consumption in Malaysia increased during 2020 compared to 2019. India continued its position as the second largest consumer of NR by accounting 8.2 % of the global demand during 2020.

World SR consumption decreased to 14.361 million tonnes during 2020 from 15.158 million tonnes during 2019, recording a negative growth of 5.3%. World NR and SR consumption ratio during 2020 was 47:53 which was same as in 2019.

Table 4 : Country-wise consumption of NR
(‘000 tonnes)

Country	2020p	2019	% Growth
China	5440	5497	-1.0
India	1040	1144	-9.1
U.S.A.	807	1003	-19.5
Thailand	764	800	-4.5
Japan	581	714	-18.6
Indonesia	574	625	-8.2
Malaysia	517	501	3.2
Brazil	345	402	-14.2
Rep. of Korea	298	354	-15.8
Other countries	2344	2600	-9.8
World Total	12710	13640	-6.8

According to IRSG, the world supply-demand balance of NR showed an excess of 298,000 tonnes during 2020.

Source: Rubber Statistical Bulletin (April-June 2021) of International Rubber Study Group (IRSG).