

in the Rubber Sector to examine all relevant issues and recommend a National Policy on Rubber to address the concerns of various stakeholders of the rubber sector. The Committee has the task of reviewing, *inter-alia*, the issues connected with production, demand, marketing, trade including imports, taxation etc. and evolve a Policy aimed at protecting the interest of growers as well as the rubber industry.

FDI in e-commerce

760. SHRI M.P. ACHUTHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

- (a) whether there is a proposal to allow Foreign Direct Investment (FDI) in e-commerce, if so, the details thereof;
- (b) whether any study has been conducted about the possible impact of FDI in e-commerce on retail trade and on the manufacturing sector; and
- (c) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) As per extant FDI policy, FDI up to 100% under the automatic route is permitted in B2B e-commerce activities. The present policy does not permit retail trading, in any form, by means of e-commerce, for companies with FDI engaged in the activity of single/multi brand retail trading.

The following announcement in respect of FDI with reference to manufacturing sector was made by FM during his Budget Speech on 10.07.2014:

“FDI in the manufacturing sector is today on the automatic route. The manufacturing units will be allowed to sell its products through retail including E-commerce platforms without any additional approval”.

- (b) No, Sir.
- (c) Does not arise.

Increase in import of rubber

761. SHRI M.P. ACHUTHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

- (a) whether there is an increase in the import of rubber in the year 2014 compared to previous years, if so, the details thereof;
- (b) whether Government is aware that the price of indigenous rubber has fallen due to increase in the import of rubber; and

(c) if so, the details of the variation in the indigenous rubber prices and measures taken to compensate the farmers who are suffering due to fall in prices of rubber ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) The import of natural rubber (NR) in the financial year 2013-14 and the first six months of the Calendar year 2014 as compared with the corresponding periods of previous year are given in the table below :

Import of natural rubber (Quantity in tonne)

Year	Quantity in Tonne
Financial Year 2012-13	217,364
Financial Year 2013-14	325,190
Calendar Year 2013 (Jan-June)	102,268
Calendar Year 2014 (Jan-June)	161,449

(b) Fall in rubber prices in the domestic market is mainly due to declining trend of prices in the international market, relatively low growth in the demand for specific forms of Natural Rubber, and increased level of import.

(c) Yearly average price of Ribbed Smoked Rubber-4 (RRS-4) the most traded grade of domestic rubber and the comparable grade of Ribbed Smoked Rubber-3 (RRS-3) in the world market during past six years are provided as under:-

Year	Sheet rubber	
	Domestic (RSS 4 Kottayam)	International (RSS 3 Bangkok)
2008-09	101.12	103.79
2009-10	114.98	111.13
2010-11	190.03	195.55
2011-12	208.05	209.15
2012-13	176.82	175.76
2013-14	166.02	155.25

The Government has enhanced the Import duty on dry forms of rubber from “20% or ₹ 20 per kg. whichever is lower” to “20% or ₹ 30 per kg. whichever is lower” with effect from 20 December 2013.