

We want a level playing field against cheap Chinese tyres, says Singhanian

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Cheap Chinese tyres becoming a real threat for Indian tyre manufacturers for quite some time, tyre manufacturer JK Tyre CMD Raghupati Singhanian has urged the Central Government to impose an anti-dumping duty as fast as possible.

"Chinese tyres, which are 20-30 per cent cheaper, have become a real threat for Indian tyre manufacturers. While the US Government took measures against Chinese tyres in 45 days, it is almost 16 months since the process for imposing an anti-dumping duty in India has started, yet nothing has come out," lamented Singhanian.

"We have to act fast as a country as the situation is getting bad from worse. We want the Government to provide us a level playing field and even that is getting delayed. Imposing an anti-dumping duty is absolutely rightful action under the WTO provisions," added Singhanian.

Central Government has initiated a probe into dumping of certain radial tyres from China, which are used in buses and trucks. The Directorate General of Anti-Dumping and Allied Duties (DGAD) has found "sufficient prima facie evidence" of dumping of these

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JK TYRE CMD RAGHUPATI SINGHANIAN

tyres from China. Automotive Tyre Manufacturers' Association (ATMA) has filed application on behalf of domestic players - JK Tyre Industries Ltd, Apollo Tyres Ltd and Ceat Ltd for initiation of an anti-dumping investigation and imposition of the duty on imports.

Countries start an anti-dumping probes to determine whether their domestic industries have been hurt because of a surge in below-cost imports. As a counter measure, they impose duties under the multi-lateral regime of WTO.

Talking about rubber production problem, he said that

domestic industry is not in a position to supply 100 per cent raw material and there is a shortfall of almost 30-40 per cent.

The Government in 2015, hiked import duty on natural rubber to 25 per cent or ₹30 per kg, whichever is lower, to protect interest of growers and curb imports that touched record during last fiscal.

"Rubber situation is also becoming bad to worse for tyre manufacturers and under the name of protecting domestic rubber industry, we are killing tyre industry," opined Singhanian.

When asked about demand for tyres in India, Singhanian said: "Demand in India is growing and good part is that commercial segment has also witnessed better demand and with good Monsoon the situation is going to get better for all segment."

"Even in defence sector we are doing well as we are the biggest supplier for defence," he said.

While talking about exports, Singhanian said that the company is exporting to 12 countries including Latin America, South Africa, Middle East, the US and Europe.

"Because of the crisis in Latin American countries and problems in the Middle East we are going back majorly to the US and European market," Singhanian added.

Out of 100 per cent exports, Middle East and Latin American market share 25 per cent each and the remaining 50 per cent goes to the rest of the world.

He shared his thoughts about GST also, saying it is good for the country. "GST will cause logistic cost to come down, which will be good for us. While there could be some pain in transition, it would be good for the country in the long run.