

# UNTAPPED RUBBER HOLDINGS A LOST ECONOMIC OPPORTUNITY FOR RUBBER GROWERS

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Received: 22 October 2020

Accepted: 17 November 2020

Jacob, J. and Chandy, B. (2020). Untapped rubber holdings: A lost economic opportunity for rubber growers. *Rubber Science*, 33(3): 329-334.

The large share of mature natural rubber (NR) holdings now remaining untapped, the undesirably high share of old/senile holdings and recent stagnation in the total NR cultivated area in the country are indications that growers' interest in NR cultivation is on the wane. This is happening at a time when the domestic demand for NR is steadily on the rise. The prevailing low price of NR is blamed for this predicament. Results of the present study clearly indicate that harvesting rubber is still a profitable option for growers, provided weekly tapping system is adopted. Adopting self-tapping and confining tapping to the peak yielding period (May to January) will further enhance profitability of rubber tapping, especially when the price is low. Since there is no guarantee that rubber prices will increase considerably in the near future, not tapping the mature rubber trees is bad economics and a lost economic opportunity for the grower. It is likely that the grower is perhaps unaware of this. Creating awareness among growers about the futility of leaving mature rubber holdings untapped and how low frequency and self-tapping can substantially increase profits should be a central theme of extension efforts.

**Key words:** BCR, Lean season, Natural rubber, Net revenue, Peak season, Untapped holdings

## INTRODUCTION

While natural rubber (NR) price has crashed on several occasions in the past, the present price decline that began in 2011/12 is unique even as the low price is lingering on for so long (Rubber Board, 2000; 2013; 2019). If poor performance of global economy and increasing supply of cheaper NR from low cost countries in recent years put pressure on NR price, lockdown due to the COVID-19 pandemic since March 2020 has only worsened the concerns of the grower. Natural rubber growers in India have been always concerned about the high

input costs and rising labour wages. Coupled with this, the prevailing low NR price has made rubber tapping less profitable, if not non-remunerative, particularly in old holdings with low productivity. Citing low profit as a reason, many growers have stopped tapping their mature rubber holdings. It is estimated that nearly 25-30 per cent of the mature rubber holdings in the country is remaining untapped presently (Rubber Board, 2018, 2019a). If these holdings are brought back to tapping, it is quite possible that domestic NR production can be as high as 9-10 lakh tonnes during