

Rubber Industries Bat for Exclusive Export Promotion Council

ENS Economic Bureau

Kochi: All India Rubber Industries Association (AIRIA) on Tuesday sought the formation of an exclusive export promotion council for rubber products to milk the large untapped potential for increasing rubber products export from India.

The export turnover of rubber products from India has reached ₹17,500 crore in FY 2014-15. As much as 30 per cent of the rubber products manufactured by MSMEs are exported, states AIRIA.

“The Rubber Products Export Promotion Council (Rubbexil) needs to be formed under the Ministry of Commerce and Industry with a view to have a more focussed support to export of rubber products from India,” the association said.

Currently, export of rubber products is promoted through Chemicals and Allied Products Export Promotion Council (Capexil). AIRIA has already received NOC from CAPEXIL and the Rubber Board for the formation of the export promotion council.

At present, there are around 5,000 MSME rubber units in the country manufacturing over 35,000 different rubber products and providing employment to around 30 lakh people, states AIRIA.

“By managing 15 per cent CAGR growth in rubber products export over the past decade, rubber industry in India has already proved its credentials. Through quality and delivery focus, Indian manufacturers have created a niche for themselves in several competitive markets across the world. Industry needs to



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be provided a better environment for export which can happen if a separate export promotion council is created”, said Mohinder Gupta, President, AIRIA.

Over the last four years, the industry body has been organising national rubber conferences in all the four regions of the country with a view to disseminating new practices and share success stories.

Besides formation of Rubbexil, AIRIA has also asked for taking a relook at India's Free Trade Agreements with

some of the South East Asian nations that have led to an increase in import of rubber products in India notwithstanding adequate domestic capabilities.

Many of the rubber producing countries in the world are working to improve the value chain by exporting finished rubber products instead of raw rubber. That is likely to increase competition for India in the international markets. Promotion of rubber products export therefore assumes all the more importance.