

Trade body calls for rubber export promotion council

OUR BUREAU

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The All India Rubber Industries Association (AIRIA), the apex body of the sector, has called for formation of an exclusive export promotion council for rubber products.

A Rubber Products Export Promotion Council needs to be set up under the Ministry of Commerce and Industry to ensure more focussed support to export of rubber products, says Mohinder Gupta, President of the Association.

MSME contribution

Currently, export of rubber products is being promoted through the Chemicals and Allied Products Export Promotion Council (Capexil) with its 17 Chapters.

The export turnover of rubber products reached ₹17,500 crore in 2014-15. A much as 30 per cent of the rubber products manufactured by the micro, small and medium enterprises (MSME) is exported.

There are around 5,000 MSME rubber units in the country manufacturing over 35,000 products and providing employment to around 30 lakh people.

"New missions including 'Make in India' and 'Skill India' can be successful only through a sharper emphasis on labour-intensive and widely spread-out sectors such as rubber products," says Gupta.

Better environment

By managing 15-per cent CAGR in export of rubber products over the last one decade, the industry

has already proved its credentials. Through a sharp emphasis on quality and delivery, manufacturers have created a niche for themselves in several competitive markets across the world.

"This achievement by the rubber industry, notwithstanding challenges both nationally and internationally, needs to be appreciated.

The industry needs to be provided a better environment for export which can happen if a separate export promotion council is created."

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

Relook at FTAs

Such interactions undertaken have helped in raising competitiveness of the industry internationally, Gupta said.

The Association has also called for a relook at India's Free Trade Agreements (FTAs) with some of the South-East Asian nations that have led to an increase in import of rubber products despite adequate domestic capabilities.

Many of the rubber producing countries are working to go up the value chain by exporting finished rubber products instead of raw rubber.

That is likely to increase competition for India in the international market.

Promotion of rubber products export therefore assumes all the more importance, Gupta added.

