As I stand here to welcome our Chief Guest and this august gathering, I hear the reverberations of the first ever telephone call, made on this very day exactly 140 years back - 10th of March, 1876. Alexander Graham Bell spoke into the mouthpiece summoning his accomplice Watson, and the rest, as we know, is history. Distances shrunk as communication channels proliferated, one rapidly after the other. As I say hello to you here, I can't but reflect on a similar role played by the dynamic product that has brought us here from different parts of the world. Rubber has indeed revolutionised human progress, given wheels to history, and shortened distances. The rubber fraternity here encapsulates the close bonds spawned by this remarkable gift of nature, and it gives me great joy to welcome everyone here to India Rubber Meet 2016.

Cooperation and joint efforts of stakeholders from rubber and allied sectors contributed to the launching of IRM in 2014 and its successful continuance in 2015. IRM is already branded as one of the major rubber events at international level, bringing all the stakeholders of Indian rubber sector on a single platform, along with world-renowned experts, for valuable interactions and networking.

Rubber is one of the most critical, strategic and versatile raw materials in the modern world and rubber will remain so the in foreseeable future. Demand and prices of rubber are positively linked to economic growth. The link between rubber industry and economic growth brings in fortunes during booms and hardships during busts. Cycles of economic growth result in cycles of commodity price movements, applicable for natural, synthetic and reclaimed rubbers also. The impact of low prices
will be more severely felt in natural rubber production sector, dominated by small and marginal growers. The low prices will have a critical bearing on planting and replanting decisions and future availability of NR. Providing safety nets for smallholders to protect them against price and other risks, beneath the prevailing socio-economic and political environment, is a critical task which has to be deliberated seriously.

As you are aware, Rubber Board is administratively functioning under the Ministry of Commerce and Industry of Government of India. Yet, the whole extension department of the Board is currently entrusted with the implementation of the Rubber Production Incentive Scheme (RPIS) of Government of Kerala, with the endorsement of the Central Government, for the benefit of rubber growers. RPIS is being implemented through Rubber Producers Societies (RPS) established and promoted by Rubber Board. The Board has been committed to breed and nurture institutional capabilities in rubber sector, compatible with the macroeconomic environment, to empower smallholders to withstand the emerging challenges and the formation of RPS from mid-1980s is a telling evidence for that. The fact that the RPS sector was looked upon to implement RPIS in which around 3.5 lakh growers have registered so far substantiates the capabilities of the RPS sector on the one side and the trust the authorities had in the sector on the other side. Farmer groups and the currently widely discussed farmer producer organisations (FPOs) have a major role in promoting group approach in farming operations, processing and marketing as well as in augmenting income through non-farm enterprises. It may be noted that the Rubber Board had initiated RPS and FPO model companies before three decades.

Excessive import of rubber products including tyres, often on account of dumping and tariff concessions offered under FTAs, is another critical issue. Vulnerability of domestic rubber product manufacturing sector especially the micro, small and medium enterprises segment, to such unwarranted competition is to be reckoned seriously. But, one of the main reasons for the dwindling competitiveness of non-tyre rubber products manufacturing sector has been lower scale of operation and lack of technological advancement. Consortium approach to counter diseconomies of scale and support for technological improvement through PPP mode regimes need to be promoted.
The last two IRMs were held in Kochi. It was decided when the concept of IRM was formulated to hold IRM occasionally at a venue outside Kerala for the benefit of stakeholders in different regions of the country. The history of Goa has been woven into a seamless mixture of various myths and stories that take us back into time of *Mahabharata*. Goa is supposed to be the kingdom of *Gomanta* referred to in *Mahabharata*. *Gomanta* means a region of cows. And we are today at Goa to deliberate on an industry, the genesis and developments of which depended on another milk presented to us by Mother Nature, the latex of rubber trees. This tiny emerald land on the West Coast of India is one of the brightest tourist spots in the country, known for its rich culture and heritage. Goa was one of the most vibrant port cities in India and historically a world known commercial centre, of course from the riches of spice trade. The swaying palms, white sands and sparkling waters make it an enticing Golden Goa.

Our Chief Guest, Shri Rajani Ranjan Rashmi, Addl Secretary, Ministry of Commerce and Industry, Government of India is an acclaimed expert in public finance, international trade agreements and environment negotiations. Mr Rashmi has an outstanding public service career from 1983 as SDO of Chandel district in Manipur to the present position. His service in the Ministry of Environment & Forests from 2008 to 2013 is particularly remembered for his valuable contributions as India’s focal point in environment and climate change negotiations. Shri Rashmi is currently looking after plantations among other important portfolios and is well aware of the issues and challenges being encountered in plantations and related sectors. On behalf of the organisers and the entire gathering, I cordially welcome Shri Rajani Ranjan Rashmi to India Rubber Meet 2016.

We have speakers and panellists representing international rubber organisations, rubber producing countries and other experts. Their presence magnifies the value of IRM and substantially enhances the usefulness of the forum to the stakeholders. On behalf of the organisers, I extend a warm welcome to all our speakers and panellists.

IRM is the sole rubber event in India organised through the joint participation of all segments of rubber sector stakeholders viz., growers, processors, synthetic and reclaimed rubber manufacturers, tyre and non-tyre product manufacturers,
industry/trade associations, government and other promotional bodies, research and skill development institutions and the media. I would like to take this opportunity to convey my sincere appreciation to all organising partners of IRM 2016 whose enthusiasm and dedication have materialised this event.

IRM is organised with befitting pomp and gaiety and state of the art facilities; yet the registration fee is relatively low and this is made possible because of the generosity of our sponsors and supporters. We are really overwhelmed by the sincere support extended by our Platinum, Gold and Silver Sponsors and Supporters of IRM 2016. On behalf of the organisers, let me place on record our profound gratitude to all IRM 2016 Sponsors and Supporters.

The single most category of stakeholders participating in previous IRMs had been rubber smallholders. As the venue is Goa, there were some apprehensions initially on grower participation in this IRM. I am extremely pleased to inform that the single category of stakeholders having maximum registration for IRM 2016 also is smallholders. Let me warmly welcome media representatives and delegates from all segments of rubber industry to the Meet. I am happy to welcome our international delegates to India and IRM 2016.

Let me conclude by once again cordially welcoming the Chief Guest, Speakers and Panellists, Partners and Sponsors and all the delegates to India Rubber Meet 2016.
INAUGURAL ADDRESS BY MR RAJANI RANJAN RASHMI,
ADDITIONAL SECRETARY
MINISTRY OF COMMERCE & INDUSTRY, GOVERNMENT OF INDIA
INDIA RUBBER MEET 2016

Dr A. Jayathilak, Chairman, Rubber Board & Chairman of IRM Organising Committee,
Mr Vinod Simon, Chairman, RSDC & Vice-Chairman of IRM Organising Committee,
Organising Partners of IRM,
Speakers and Panellists
IRM Sponsors &
Distinguished Delegates

I am greatly pleased and honoured to be present here on this auspicious occasion of the inaugural ceremony of the third edition of India Rubber Meet, IRM 2016.

I understand that IRM is a spontaneous initiative of Indian rubber industry covering all segments in the value chain, under the leadership of Rubber Board to have a regular forum for interaction and networking. Advancements in information technology and communication have redefined forms and pace of interaction and networking. However, nothing can replace the intimacy and warmth developed in physical get-togethers and personal interactions which breed and sustain long-lasting and mutually beneficial business relationships.

Let me appreciate Rubber Board and other IRM partners for launching IRM in 2014 and making it an internationally noted rubber event in a short period of two years. I was told that the main source of revenue for meeting IRM expenses is contribution from sponsors in rubber and allied sectors. I would like to appreciate them for their ardent support for IRM.

Rubber is one of the most critical and strategic industrial raw materials in modern world. Rubber products are used far and wide in all industries, health sector, households, sports and entertainment. Rubber industry, through the versatility of industrial applications and multifarious uses, has become a critical component of development with extensive interconnections across the economic, social and cultural fabric of the world.
Rubber industry value chain in India annually produces items worth around Rs 85,000 Crore with export above Rs 18,000 Crore. There is vast potential for the industry to grow in terms of value addition, employment generation, technology upgradation, quality enhancement, export etc. One of the main reasons for the remarkable growth of Indian rubber industry has been the complementary growth of different links in the value chain, especially the producing and consuming sectors.

Both agricultural and industrial sectors in India had been highly protected from independence to early 1990s, as the watchwords of the country’s economic policy were self-sufficiency and import substitution. In the context of economic liberalisation and globalisation, the hitherto insulated domestic sectors have got integrated into the world market. This has necessitated crucial shift in strategies in several sectors with prime focus on cost competitiveness and quality enhancement to confront the ensuing challenges. The domestic rubber production and consumption sectors, which had thrived during the pre-liberalisation era under the umbrella of protection, have been resorting to redefining priorities and strategies to sustain in the emerging global economic environment during the last two decades.

It is recognised that it is the responsibility of the Government under such conditions to provide a conducive environment to enable the Indian rubber industry to realize its full potential, achieve global excellence, maximise contribution to the domestic economy and fulfil its obligations to the different sections of society. Such supportive measures may consist of fiscal concessions, developmental assistance and regulatory simplification. Our primary aim is to make things here and sell them everywhere underlying the "Make in India" vision of our Hon'ble Prime Minister. Government of India is keen in the overall development of the rubber industry value chain starting from rubber growers to consumers of end products.

We cannot overlook the vulnerability of weak and marginal sections of rubber industry in restructuring to suit to the new environment. The precarious situation of small and marginal rubber growers to low and volatile rubber prices need special mention. Natural rubber prices have been cyclical over history, responding to cycles of economic growth. But the fall in rubber prices from 2012 onwards has been sharper and the impact on rubber growers is deeper, which will have implications for future planting and availability.
The immediate past incidence of such a prolonged slump in rubber prices was from 1998 to 2001 and Government of India had taken several measures to restrict import and support natural rubber sector. But, we have to be aware of one major difference in rubber situation between 1998-2001 and the present. During the earlier period, rubber prices were low and there was no issue of availability in the domestic market. Currently, rubber prices are low and there is considerable shortage in the domestic market. Even then, the Government of India made several policy revisions to protect rubber growers such as raising the import duty of dry forms of NR to the maximum possible level of 25%, reducing export obligation period under Advance Authorisation, port restrictions in import and temporarily suspending import under Advance Authorisation.

However, the efficacy of such measures in improving rubber prices would depend on macro-economic developments, domestic and global rubber situation, oil market developments etc. The main shield used by developed countries in protecting their farmers against price risks is comprehensive crop insurance schemes. Government of India is also in the process of launching an insurance scheme for plantation sector including rubber which would cover price fluctuations among other perils, with premium shared by Central Government, state governments and beneficiaries.

I am so pleased to learn that the single largest category in IRM delegates is small growers. This is a true indication of the relatively high level of literacy among rubber growers and their known receptivity to new ideas and practices.

Another key aspect to be considered is the vulnerability of micro, small and medium enterprises in rubber product manufacturing sector to world market exposure. Excessive import, often alleged as dumping, is a major concern for rubber products manufacturers including tyres and synthetic rubber manufacturers. Reduced availability of raw materials due to environmentally hazardous practices of burning of waste rubber is an issue faced by reclaimed rubber sector. Countering such challenges and shoring up the capabilities of the sectors to sustain would need multifaceted approach combining institutional, developmental and regulatory measures; research, innovations and quality upgradation; skill generation and improvement; and modern and more efficient modes of trading.

Global competitiveness has become the litmus test of success and sustainability in today’s integrated world for rubber producing, processing,
trading and consuming sectors. Attaining global competitiveness and sustaining it in a context of uncertainties is a challenging task, demanding up-to-date information and earnest and concerted efforts by all stakeholder segments and institutional agencies. And one of the pertinent questions which we shall ask ourselves at all times is “What lies ahead?” and that is the theme of IRM 2016. We may not be able to get a single answer to the question posed in the theme. But all views and observations deliberated in IRM on “what lies ahead” by speakers and stakeholders will be relevant inputs for developing our own converged impressions on future prospects of rubber industry.

I am very much happy to declare India Rubber Meet 2016 inaugurated and wish you all the best in the deliberations and let me also wish you a pleasant stay in Goa.

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Ref. No. 1/(PN-1E)/IRM-March10th, 2016

Press Note

A new insurance scheme for plantations mooted by Govt of India:
Additional Secretary

India Rubber Meet 2016 held at Grand Hyatt Goa, March 10-11

“Government of India is in the process of launching an insurance scheme for plantation sector, including rubber which would cover price fluctuations among other perils, with premium shared by Central Government, state governments and beneficiaries,” said Mr Rajani Ranjan Rashmi, Additional Secretary, Ministry of Commerce and Industry, Govt. of India. He was delivering the inaugural address at the India Rubber Meet 2016.

The India Rubber Meet (IRM), the yearly event organized by the Rubber Board in partnership with stakeholder associations in rubber and related sectors, is being currently held at the Grand Hyatt Goa from March 10-11, 2016.

Delivering the inaugural speech he said further, “It is recognised that it is the responsibility of the Government to provide a conducive environment to enable the Indian rubber industry to realize its full potential, achieve global excellence, maximise contribution to the domestic economy and fulfil its obligations to the different sections of society. Such supportive measures may consist of fiscal concessions, developmental assistance and regulatory simplification. Our primary aim is to make things here and sell them everywhere underlying the "Make in India" vision of our Hon’ble Prime Minister. Government of India is keen in the overall development of the rubber industry value chain starting from rubber growers to consumers of end products.”

Dr. A Jayathilak, Chairman, Rubber Board and Chairman of the Organising Committee welcoming the delegates of the IRM 2016 said, “The impact of low prices will be more severely felt in natural rubber production sector, dominated by small and marginal growers. The low prices will have a critical bearing on planting and replanting decisions and future availability of NR. Providing safety nets for small-holders to protect them against price and other risks, beneath the prevailing socio-economic and political environment, is a critical task which has to be deliberated seriously.”

The Meet is a major initiative of the Indian rubber industry to organise a regular forum for interaction, networking and exchange of information. The theme of IRM 2016 is 'Rubber Scenario: What lies ahead,' reflecting the present rubber sector situation, overshadowed by uncertainties emanating from macro-economic and other sector-specific developments. Over two days, trends, challenges and prospects of the rubber sector will be discussed by world renowned experts and industry leaders. Participants will get an opportunity to interact with world known practitioners in various fields related to the rubber industry for formulating appropriate strategies. There will be invited talks by internationally
Renowned speakers on topics such as global and Indian economic outlook, world energy outlook, state of Indian non-tyre manufacturing industry, world natural rubber production scenario, world synthetic rubber production scenario and state of Indian tyre manufacturing industry. Mr. Vinod Simon (Chairman, Rubber Skill Development Council), Vice Chairman, Organising Committee, IRM 2016 proposed a vote of thanks at the inaugural function.

Speakers of the first day (10th March, Thursday) included Mr. Dharmakirti Joshi (Chief Economist, CRISIL, Mumbai), Mr. Vinod Simon (Chairman, Rubber Skill Development Council) and Ms Sheela Thomas IAS (Secretary General ANRPC, Malaysia).

The India Rubber Meet (IRM) is a unique platform, which provides an opportunity to bring together producers, consumers and traders of the rubber sector for an exchange of information and networking. IRM is the sole rubber event in India organized through the joint participation of all segments of rubber sector: Namely, The Rubber Board (Ministry of Commerce & Industry, Govt. of India), Automotive Tyre Manufacturers’ Association (ATMA), Indian Block Rubber Processors’ Association (IBRPA), All India Rubber Industries Association (AIRIA), Association of Latex Producers of India (ALPI), Automotive Component Manufacturers Association of India (ACMA), CAPEXIL, GRP Ltd., Harrisons Malayalam Ltd., Indian Cycle and Rikshaw Tyre Manufacturers Association (ICRTMA), Indian/International Rubber Journal, Indian Rubber Dealers Federation (IRDF), Indian Rubber Growers Association (IRGA), Indian Rubber Institute (IRI), Indian Rubber Manufacturers Research Association (IRMRA), Indian Synthetic Rubber Private Limited, Kerala State Co-operative Rubber Marketing Federation (Rubber Mark), Latex Rubber Thread Manufacturers’ Association (LRTMA), National Federation of Rubber Producers Societies (NFRPS), Reliance Industries Ltd., Rubber Asia, Rubber Skill Development Council (RSDC), The Cochin Rubber Merchants Association (CRMA) and United Planters Association of Southern India (UPASI) are the organisers of the event.

Attached please find Welcome Speech by Dr A Jayathilak IAS, Chairman Rubber Board & Inaugural Address by Mr Rajani Ranjan Rashmi, Additional Secretary, Ministry of Commerce & Industry, Government of India

More details please log on to www.indiarubbermeet.in

Member Secretary (Publicity Committee – India Rubber Meet 2016)
Rubber scenario aims to implement corrective measures for sustainable price: Sheela Thomas

India Rubber Meet 2016 held at Grand Hyatt Goa, March 10-11

Goa
11 March 2016

“Natural rubber sector is going through an extremely difficult phase of very low prices, which will have serious implications for the future of the entire rubber industry value chain. However sustained production of natural rubber is critical for protecting the income of the rubber farmers and ensuring availability of natural rubber for rubber product manufacturers,” said Ms Sheela Thomas, Secretary General, Association of Natural Rubber Producing Countries, speaking on the global and Indian rubber production scenario at the India Rubber Meet 2016.

The India Rubber Meet (IRM), the yearly event organized by the Rubber Board in partnership with stakeholder associations in rubber and related sectors, concluded today at the Grand Hyatt Goa held in the State for the first time from March 10-11, 2016.

Continuing to speak further at the two day debate, “Rubber Scenario: What lies Ahead?” held at IRM 2016, Ms Thomas said, “The short term challenges are pricing, smaller size of land holding, gap in technology dissemination, issues in marketing chain, need for more R & D and of course, climate change. The current scenario is that of over-supply, which has led to lower prices. The government is implementing several steps. However, it may take a couple of years for the situation to correct itself and ensure a sustainable price to the farmers,” she concluded.

Dr. A. Jayathilak IAS (Chairman, Rubber Board and Chairman of the Organising Committee) while delivering his welcome address said that excessive import of rubber products including tyres often on account of dumping and tariff concessions is a critical issue. Vulnerability of domestic rubber manufacturing sector to such unwarranted competitions is to be reckoned seriously. He observed that one of the main reasons for the dwindling competitiveness of non tyre manufacturing sector has been lower scale of operation and lack of technological advancement.

The Meet was a major initiative of the Indian rubber industry to organise a regular forum for interaction, networking and exchange of information. The theme of IRM 2016 ‘Rubber Scenario: What lies ahead?’ reflected the present rubber sector situation, overshadowed by uncertainties emanating from macro-economic and other sector-specific developments.

Over two days, trends, challenges and prospects of the rubber sector were discussed by world renowned experts and industry leaders, giving participants an opportunity to interact with world known practitioners in various fields related to the rubber industry for formulating appropriate strategies.
Meanwhile, Day 1 of IRM 2016 opened with a talk on March 10th with ‘Global and Indian Economic Outlook,’ delivered by Mr Dharmakirti Joshi, Chief Economist, CRISIL, Mumbai. He remarked, “Fiscal 2017, which will mark the midpoint of the Modi government, will be closely watched for its success in getting the pending big-ticket reforms bills such as the GST and Bankruptcy Code passed. The passage of these bills would not only be a big sentiment booster, but is necessary to enhance India’s medium-term growth potential.”

Speaking on the State of the Indian Non Tyre Manufacturing Industry, Mr Vinod Simon, Vice Chairman Organising Committee, India Rubber Meet 2016 said, “In an environment of uncertainty, the forward thought process is that of patience. The outcome of the two-day IRM held in Goa, projected an optimism and a positive outlook for the future, subject to improvement in the global and Indian economy.”

Day 2 on March 11th opened to an interactive session of Mr. Juan Ramon Salinas, (Managing Director & CEO, International Institute of Synthetic Rubber Producers) on world synthetic rubber scenario. This was followed by the talk of Mr V K Mishra(Vice Chairman, Indian Rubber Institute) on State of the Indian Tyre Manufacturing Industry stating, “The biggest challenge faced today is Product. There is no shortage of raw material, but the application of technology to product capability is what matters. Today’s global economy requires extreme amount of competency capability in all spheres. Be it raw material or end product, the need is defined by consumer and that is what we have to respect.”

The talks were followed by a panel discussion on the theme ‘Rubber Scenario: What lies ahead?’ chaired by Ms. Sheela Thomas IAS. The theme was handled from an Indian perspective. The panelists were Mr. N. Dharmaraj(President, UPASI), Mr. Mohindar Gupta(President AIRIA), Mr. P.R Muraleedharan(Rubber Grower)Mr. Rajiv Budhraja, (Director General, Automotive Tyre Manufacturers’ Association) and Mr. A. Unnikrishnan(Managing Director, Plantation Corporation of Kerala Ltd.).

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Photo caption:
1. IRM Panel discussion on 'Rubber scenario: What lies ahead?'
2. Ms. Sheela Thomas Secretary General, ANRPC addressing ‘IRM 2016’.