

Tyre exports grow by 10 pc to Rs 14,097cr in FY21

PTI | Last Updated: Jul 08, 2021, 06:17 PM IST

Synopsis

The growth in exports comes against the backdrop of disruption in international trade due to the coronavirus pandemic that led to a sharp contraction of 23 per cent in tyre exports from India in the Q1 of FY21, it said in a statement.

Tyre exports from India grew by 10 per cent in value terms in 2020-21 to touch Rs 14,097 crore, industry body Automotive Tyre Manufacturers Association (ATMA) said on Thursday.

Citing the latest data released by the Ministry of Commerce, ATMA said in volume terms tyre exports went up by 8 per cent and reached 3.64 crore units in the last fiscal.

The growth in exports comes against the backdrop of disruption in international trade due to the coronavirus pandemic that led to a sharp contraction of 23 per cent in tyre exports from India in the Q1 of FY21, it said in a statement.

"The spectacular rise in exports of tyres during a challenging year bears testimony to the resilience of the industry to bounce back despite a tough environment," ATMA Chairman Anshuman Singhania said.

Steps taken up by the government such as curbs on indiscriminate import of tyres helped the industry increase its export competitiveness, ATMA said adding, "Indian manufactured tyres are now exported to over 170 countries in the world, including some of the most discerning markets in North America and Europe."

ATMA said the top five export markets for Indian manufactured tyres in FY21 were US, Germany, France, Italy and the UK, with shipments to each of these countries growing by double digits.

"The US continues to be the largest market for Indian tyres accounting for 17 per cent of total tyres exported from the country during the year," it said.

In the last five years, tyre exports from India have gone up by 60 per cent from Rs 8,825 crore in FY16 to Rs 14,097 crore in FY21, barring a marginal contraction witnessed in tyre exports in FY20.



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ATMA said the Indian tyre Industry has the potential of significantly increasing exports in the next 3-4 years if certain roadblocks, especially with regard to accessing natural rubber (NR) are removed.

"Tyre industry needs to adhere to pre-import conditions for NR import against (tyre) export obligation. This makes the operations very constrictive and affects export performance," it said adding ATMA has asked the government to improve NR availability and quality for increasing competitiveness of the sector.