

India's foreign trade policy must address rising commodity, logistics cost: Rupa Naik



MSMEs have been struggling with rising input cost. (Photo: HT)

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MUMBAI: Rising commodity prices and escalating logistics cost could hamper the export potential of India's micro, small and medium enterprises (MSME) and, therefore needs to be addressed in the forthcoming foreign trade policy.

Rising prices of metals, plastics, fuel, and other raw materials along with shortage of shipping containers have been adding to the woes of the MSME sector, said Rupa Naik, senior director, MVIRDC World Trade Center, Mumbai – a trade facilitating organisation.

The commerce ministry is likely to announce its new foreign trade policy for a five-year period, effective 1 April, to boost India exports.

MSMEs, which contribute over 48% to India's exports, operate on too thin a margin to absorb this cost pressure, Naik added.