



**FEDERATION OF INDIAN
EXPORT ORGANISATIONS**
(Set up by Ministry of Commerce,
Government of India)

HEAD OFFICE

Niryat Bhawan
Rao Tula Ram Marg, Opp. Army Hospital R & R
New Delhi-110057
Phone: 011-26150101 - 04, 46042222
Fax: 011-26148194
E-mail: fieo@nda.vsnl.net.in; fieo@airtelmail.in
Website: www.fieo.org

REGIONAL OFFICES

Northern Region

Niryat Bhawan
Rao Tula Ram Marg, Opp. Army Hospital R & R
New Delhi-110057
Phone: 011-26150118, 46042222
Fax: 011-26148194
E-mail: fieo@nda.vsnl.net.in; fieonr@airtelmail.in

Kanpur Chapter

C/o Merchant Chamber of Uttar Pradesh
14/76, Civil Lines, Kanpur-208001
Ph: 0512-3014855, 09235401118
Fax: 0512-3014824
E-mail: fieokanpur@yahoo.co.in

Western Region

Vinmar Hous, Plot No.A-41, Road No. 2,
MIDC, Andheri(East), Mumbai-400 093
Ph: 022-40572222,
Fax: 022-28392334
E-mail: fieowr@vsnl.com; fieowr@fieo.org

Ahmedabad Chapter

105, Samedh, C G Road, Ahmedabad-380006
Ph: 09974-4040606; Fax: 07940050406
Email: fieoahd@airtelmail.in

Southern Region

Spencer Plaza, Unit No. 706, 7th Floor,
769, Anna Salai, Chennai-600 002
Ph: 044-28497766, 28497755, 27497777
Fax: 91-44-28496666
E-mail: fieosr@dataone.in; fieosouth@airtelmail.in

Karnataka Chapter

VITC Building, 1st Floor, Kasturba Road,
Bangalore-560001
Ph: 080-22864854; Fax: 91-80-22864855;
E-mail: fieobl@dataone.in

Andhra Pradesh Chapter

Shakar Bhawan, 5/10/174,
Fateh Maidan Road, Hyderabad-500 004
Ph: 040-23210380; Fax: 91-40-23210381
E-mail: fieoandhra@yahoo.com

Eastern Region

Express Tower, 6th Floor,
42-A, Shakespeare sarani, Kolkata-700071
Ph: 033-40084890/99; Fax:33-22805781
E-mail: fieoer@airtelmail.in

Orissa Chapter

Ashoka Market Complex, Second Floor,
Station Square, Bhubaneswar-751 009,
Ph: 0674-2536674 Telefax: 674-2536675
E-mail: fieobbsr@gmail.com

Northeast Chapter

Upland Road, Laitumkhrach, Shillong 793003
Email: milanryan@gmail.com;
fieonortheast@fieo.org
Mob:09863028463,

FROM THE PRESIDENT'S DESK ▶▶▶



My Dear fellow Exporters,

I welcome the Working Group recommendations to make credit pricing more transparent. I am happy that the long awaited demand of the exporting community about the lack of transparency in the Benchmark Prime Lending Rate is finally being addressed. The recommendations will immensely benefit MSMEs which normally get credit at rates much higher than those available for corporates.

I am pleased at the observation made by the Working Group that there is a need to subsidise credit for exporters to make them globally competitive. If this happens, it will make our exports 3% to 4% more competitive in the global market.

Review of Monetary Policy for the 2nd Quarter maintains status quo in policy rates which is very much expected but for the restoration of the SLR by 1%. I think that reducing refinancing facility to banks from 50% to 15% may not send right signal and perhaps could have been avoided.

Asian currencies are strengthening in spite of countries selling their domestic currencies on concerns that export recoveries will slowdown further. A 'wait and watch' situation till January when the next review is to take place is an extremely prudent decision of the Reserve Bank.

Nonetheless, as far as the MSME export sector is concerned, the credit disbursal mechanism needs to be improved and low cost rupee credit at comparable South Asian levels (our competitors in South Asia are getting credit at 5%) and dollar loans at LIBOR+1% are necessary for effectively catering to a recession hit low cost global market.

I had the opportunity to lead a 115-member delegation to China Import and Export Fair held from October 15 to 19 in Guangzhou. In my meetings with Chinese authorities I raised the issue of opening of the Ph-II of the fair for international participation and giving India a better and prominent location along with adequate publicity. I had the privilege of addressing a seminar attended by delegates from over 20 countries where I assured that bilateral trade between India and China would touch US\$ 60 Billion by 2010. However, I also mentioned that adverse trade balance was a cause of concern for India. We are participating in fairs such as Canton to give more exposure to Indian products.

FIEO organised a participation of 42 member exporters in India Sourcing Fair - Home Products held during October in Hong Kong. The fair attracted over 30,000 buyers from around the world. India Sourcing Fair was co-located with China Sourcing Fair in which more than 3000 companies from China, Korea, Taiwan, Philippines and other countries participated. During the fair, FIEO made a presentation titled "Made in India - A Market Snapshot" telling them how India stood as one of the most competitive sourcing destinations in the world for home products.

A. Sakthivel
PRESIDENT