

## **RBI Press Release**

### **45th Meeting of the All India Export Advisory Committee (October 13, 2000)**

The 45th meeting of the All India Export Advisory Committee (AIEAC) was held on October 13, 2000 in the Central Office of the Reserve Bank of India. The meeting was inaugurated by Shri Jagdish Capoor, Deputy Governor, and was attended, among others, by representatives from Federation of Indian Exporters' Organisation, All India Manufacturers' Association, Foreign Exchange Dealers' Association of India, select bankers and senior officials from the Reserve Bank of India.

In his initial remarks, the Deputy Governor appreciated the role of the Advisory Committee in offering constructive suggestions that have helped the Reserve Bank in framing suitable policies for exporters. Shri Capoor expressed satisfaction over encouraging export growth during the current financial year. He also mentioned that the Reserve Bank continued to endeavour facilitating exports. He pointed out that in the recent past when the Reserve Bank had to take certain monetary measures to curb speculations in the foreign exchange market, it ensured that the interest rates on export credit -except interest rates on overdue export bills -were kept unchanged and the surcharge on imports did not affect the export related imports. The Exchange Earners' Foreign Currency Scheme, which had to be temporarily curbed, was fully restored with certain changes in the rules in the recent announcement of Mid-term Review of the Monetary and Credit Policy. Shri Capoor also stated that the Reserve Bank has exhorted the bankers not to hamper availability of funds to exporters and requested the exporters' organisations to help the Reserve Bank in eliminating deficiencies, if any, in disbursement of export credit. He also commended the role played by the Monitoring Group of Bankers in facilitating the credit availability to exporters.

Shri M. G. Srivastava, Executive Director, who presided over the deliberations, then invited the participants to express their views on matters concerning them. Liberalised refinance rules for financing banks, more attention to the problems of credit sanction to medium and small exporters, relook by the Reserve Bank in respect of payment of interest in respect of EEFC accounts, etc., were some of the suggestions made by exporters' organisations. The Executive Director apprised the house of the Reserve Bank instructions regarding fixing up of a time-frame for sanction/ disbursement of export credit limits by banks and requested the representatives of various organisations to bring to the notice of the Reserve Bank specific cases of delays in sanctions/ disbursals for rectification. The other suggestions would be considered by the Reserve Bank, he assured. A recommendation from the monitoring group of bankers to list out 15 to 20 major Indian centres, covering export activities connected to sea food, hosiery, handtools, rice, gem and jewellery, readymade garments, tobacco, carpets, etc., to enable financing bankers to organise seminars/workshops for exporters was discussed and approved.

Shri Ramu Deora, President, Chemicals and Allied Products Export Development Council (CAPEXIL), thanked on behalf of the participants, the bankers and the Reserve Bank in particular, for their positive response to the exporters' problems.