

**EEPC NATIONAL AWARDS FOR 2009-10
WELCOME ADDRESS BY MR. AMAN CHADHA, CHAIRMAN, EEPC INDIA
NEW DELHI-DECEMBER 20, 2011**

Hon'ble Shri Jyotiraditya Scindia, Shri Sumanta Chaudhuri, Distinguished National Award Winners, Fellow Exporters, Our friends in the media, Ladies and Gentlemen,

It is said that “**success is a marathon, not a sprint**” and as Robert Kennedy once said *only those who dare to fail greatly can ever achieve greatly*. Today, as we assemble here this evening, to congratulate the National Award Winners for Export Excellence, these words resonate the mood of the present times. For exporters in India are both, literally and metaphorically, marathoners, who in the act of discovering the world dare to fail greatly in the hope of achieving greatly!!

Indeed, today is one of those occasions when EEPC India salutes the remarkable work done by its fellow members for their valiant efforts in making “Brand India” a name to reckon with in world markets, despite all odds. We take immense pride as we acknowledge the success of our fellow engineering exporters at the National level for the year 2009-10. **And who better to share with us this momentous occasion than our own dynamic Minister of State for Commerce, Shri Jyotiraditya Scindia.** A warm welcome to you, Sir, for sparing your valuable time despite your immensely busy schedule to be with us this evening and giving us the opportunity to showcase to you the achievements of our member exporters. A hearty welcome to Shri Sumanta Chaudhuri, our Joint Secretary in the Department of Commerce and a constant source of wise counsel and advice for the Council. I also extend a warm welcome to all the other dignitaries and senior officials present with us this evening.

At the outset, EEPC India takes this opportunity to express its grateful thanks to the Ministry of Commerce & Industry, for the extremely welcome amendments to the Foreign Trade Policy that was announced on October 13, 2011. The new measures did go to some extent to assuage the negative sentiments that have emerged both in terms of slackening external

demand and staggered withdrawal of support from the Government to the exporting community. We are, indeed, thankful to Hon'ble Shri Scindia and his colleagues in the Department of Commerce and DGFT for standing by the exporting community at all times and trying their best to smoothen rough edges whenever the occasion arise.

Ladies and Gentlemen, 2009-10, the year for which today's National Awards will be given was an extremely difficult year for trade globally. As per the WTO, in 2009, world exports fell by 23% to USD 12,490 billion. Out of this, India's drop in exports as per the WTO 2009 figure was 17% to reach USD 163 billion and India's share in world exports was 1.3%. I may add that these figures will differ from the fiscal year 2009-10 figure, where the drop in exports was only 3.53% and India's exports was USD 178 billion. Interestingly, when one looks at the imports side, according to the WTO data, in 2009, India's share in world imports was 2% in world imports of USD 12,682 billion.

What is rather interesting is the trend in India's exports and imports since our independence. Again, as per the WTO, India's share in world exports in 1948 was 2.2% of the total world exports of USD 59 billion. Thereafter, our exports share fell gradually to reach a bottom of 0.5% of world exports of USD 1839 billion in 1983. When it comes to imports, in 1948, India's share in world imports was 2.3% of the total world import of USD 62 billion. This share fell to 0.5% in 1973 and thereafter rose gradually to reach the 2% share in 2009. The reason why I point this out is that when it comes to imports, we seem to have come close to the share of world imports that we had in 1948; but in case of exports, we have still some way to go.

This indicates in a very simplistic manner that exports should remain a policy priority and Government and the exporting community must work hand in hand to ensure that our exports surpass our 1948 world share and can at least attain a share between 2.5% and 3% of world exports by the end of the Twelfth Five year Plan.

If India is to reach such a target the role of the engineering sector will be critical. The Strategy for Doubling Exports released by the Department of Commerce has put a target of USD 125 billion for the Engineering Sector to be achieved by 2013-14. We are in the first year of the three year doubling strategy of the Department of Commerce and in the first eight months of

the current year, our exports has grown by a little over 21% to USD 40.7 billion. While this is a reasonably healthy growth rate in the present circumstances, both the domestic and global economic environment is a cause of concern for the future growth prospects. At a time when most countries are trying to revive demand through low interest rates, India's interest rates are skyrocketing. As a result industrial has dipped to a negative 5.1% in October 2011. Clearly, when production dips, it will also affect exports even in the best of times.

Many of our member exporters have also brought to our notice that foreign orders are on hold because of an acute credit shortage in the developed world. According to them, a devaluating Rupee is not of much help when faced with a frozen international situation. Further, a nominal depreciation in currency is sustainable when there is price stability or otherwise input costs goes up as has been happening in the country. My suggestion, therefore, would be that India must actively promote exports as a national priority. We must give as much attention to export promotion as we give to bringing capital inflows into the country.

India's Current Account Deficit must be reversed and only in that case can we be less dependent on movements of capital flows on the Capital Account Side. The Strategy for Doubling Exports did recognize this fact and we must therefore work towards building a more competitive export economy so that like China, our foreign exchange reserves effectively become reserves of our own with greater flexibility rather than future liabilities that have to be paid back to global investors on demand, as is the case now. We must immediately take steps to promote growth of industries, upgradation of technology of the engineering industry and help industry to create assets through a softer interest rate regime.

2009-10, the year for which the National Awards will be presented by Hon'ble Shri Jyotiraditya Scindia, was as I have mentioned, an extremely difficult year for engineering exporters. Thus, those who are our Award Winners today are real heroes. They took up the challenge of exporting goods in the midst of a declining demand curve and extreme global competition. Their stories need to be told and lauded for we are perhaps again under a similar global environment with considerable uncertainty in Europe and fears of a double dip in USA. This coupled with inflationary conditions in India, tight money policy and withdrawal of exporter friendly schemes like the DEPB scheme has thrown fresh challenges for our members and it

will take considerable ingenuity and innovativeness for our members to sail through in the next two years.

For the moment, however, we need to celebrate our heroes who helped us stabilize the export scenario in 2009-10. Let me therefore, at the end, say a few words on EEPIC India's Awards for Export Excellence. In 1967-68, EEPIC India, then called the Engineering Export Promotion Council, recognized the contribution of its member exporters and awarded badges and certificates of merit to those members who had exported more than 10% of their production and/or had exceeded an export performance of Rs 2.5 lakhs during that year. 74 firms were recognized on this basis that year. Thus, the 2009-10 National Awards for Export Excellence is the 42nd year of presentation of National Export Excellence Awards by EEPIC India.

Today, Hon'ble Minister Shri Jyotiraditya Scindia will be giving away a total of 98 Awards, of which 10 belong to the Top Exports Award categories comprising five Gold and five Silver Trophies and one EPO; 80 representing 34 categories of engineering groups; five Silver Plaques representing Special Contribution for highest growth in exports, participation in Council's promotional activities, best performances with respect to Thrust Markets and Thrust Products; and two Quality Awards. The Who's Who of Indian Engineering has competed with each other in order to bag the Awards.

As I conclude, I must thank the entire team in Union Ministry of Commerce & Industry for the support that we have received from them at all times. My congratulations to the National Award Winners for 2009-10, once again, and hope that they will continue to serve the cause of the country in future with all determination. With these words, may I, once again, thank Shri Jyotiraditya Scindia and Shri Sumanta Chaudhuri for their encouragement and valued presence on this momentous occasion?

Thank you.

