

Chairman's Pen

My dear fellow exporters,

EEPC INDIA members had requested the Council to extend the RBI's Interest Subvention Scheme on Rupee Export Credit to Urban Cooperative Banks. The Interest Subvention Scheme gives a subvention of 2% to many sectors as also MSME manufacturing units. However, so far, the urban cooperative banks were kept out of the loop of the interest subvention scheme.

On receiving representation from our members, EEPIC INDIA took up this issue with the Ministry of Finance, Ministry of Commerce & Industry and the Reserve Bank of India. I met the then Commerce Minister Shri Kamal Nath and the Deputy Chairman of Planning Commission Shri Montek Singh Ahluwalia in late January 2009 to demand two particular extension with respect to the Interest Subvention Scheme :

- (i) the extension of the Scheme to Urban Cooperative Banks; and*
- (ii) to the engineering sector.*

I am glad to inform you that the Reserve Bank of India by its Notification dated June 18, 2009 is accepting our recommendation and those members who are seeking Rupee Export Credit from Urban Cooperation Banks will be given Interest Subvention of 2% for the period June 01, 2009 to September 30, 2009. The Notification is enclosed in this Bulletin and those members who are customers of Urban Cooperative Banks are requested to take copies of RBI Notification and seek interest subvention from their banks from this period.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Aman Chadha'.

(AMAN CHADHA)