

Minimizing risks and getting market savvy online

FIEO (Southern Region) in association with the Indian Chamber of Commerce and Industry, Coimbatore organizes a seminar on "Currency Exposure Management and Sourcing Buyers Through the Internet" on January 24, 2012 in Coimbatore. The programme was organized to help the members increase their business. It was also meant to update them on the various tools available to minimize the risks related to flexibility of exchange rates. More than 70 exporters from Coimbatore participated in the programme.

Mr Walter D'Souza, Regional Chairman, FIEO (SR), inaugurated the programme. Dr M. Krishnan, President, Indian Chamber of Commerce and Industry, Coimbatore, advised the exporters to take precaution, as the currency market has become highly volatile. He advised the participants to utilize various tools available to them for mitigating the risks.

Mr D'Souza said that one of the major problems faced by the industry is the high cost of interest apart from the hike in other costs of production. He urged that the RBI should bring down the interest rate for helping out industry in the recession period. He opined that the ideal interest rate for exporters especially for small and medium industries to compete in the international market should be 7%.

While referring to the global trade scenario, the FIEO Chairman said uncertainty regarding the global as well as the domestic growth prospects which started during early 2011 continued to prevail as the year 2012 started. The growth in the advanced economies remains fragile and there are risks of another economic recession and financial crisis in some regions in the advanced economies. The transmission of the



Mr Walter D'Souza, Regional Chairman, FIEO (SR) addressing the participants. On the dais from right are Mr D Nandakumar, Hony. Secretary, Indian Chamber of Commerce & Industry, Coimbatore; Dr M Krishnan, President, Indian Chamber of Commerce & Industry, Coimbatore; and Mr Unnikrishnan K Director, FIEO (SR).



A view of cross-section of participants.

global economic crisis into the Indian economy has been felt in the recent period in the form of widening of the current account deficit, outflow of foreign funds, volatility in the stock markets and the sharp depreciation of the rupee.

Mr D'Souza also said lack of effective infrastructure has been one of the key factors behind the inequalities emerging within India's markets. With the exception of telecom - the other sectors such as power, roads and urban infrastructure are major concerns and regulatory barriers have impeded the flow of capital into infrastructure.

He stressed the need for diversifying our export market to the CIS, Africa and Latin America for getting better returns and increasing export share. Mr D'Souza also highlighted the initiative taken by FIEO to provide warehousing infrastructure in UAE which he hoped would help exporters increase their share in GCC and West African.

Ms Harini Iyer and Mr Senthil of the National Stock Exchange made a presentation on the NSE's currency exchange platform.

Mr Madhusudanan of Alibaba.com spoke on understanding international buyer behaviour online, how to maximize business inquiries through the Internet, how to advertise products on the internet, how to generate quality sales lead through the internet and how to get more buyers through the internet.

Mr Unnikrishnan K., Director, FIEO Southern Region proposed the vote of thanks. ■