

Fisme to Siam: Share rising input cost burden with MSME vendors

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The Federation of Indian Micro and Small & Medium Enterprises (Fisme) has written to the Society of Indian Automobile Manufacturers (Siam) seeking equitable sharing of extraordinary cost escalations faced by its MSME auto component suppliers, amid a spike in wages, energy prices and raw material costs due to the West Asia crisis.

In a representation dated May 14 to Siam president Shailesh Chandra, Fisme Secretary General Anil Bhardwaj urged

Siam and its member original equipment manufacturers (OEMs) to consider temporary cost-sharing arrangements and absorb a part of the exceptional wage escalation as well as energy cost increases faced by micro, small and medium enterprise (MSME) suppliers; faster approval and implementation of price revision requests where extraordinary cost increases are demonstrable; and expedited payment cycles for MSME ven-

dors by having all OEMs register with TReDS (Trade Receivables Discounting System) apart from allowing suppliers to discount receivables.

Fisme also urged Siam to consider a structured OEM-MSME dialogue mechanism to address emerging supply chain stresses before they reach disruptive proportions, and encourage long-term vendor sustainability frameworks instead of purely transactional procurement approaches.

