Financial Assistance and Incentives for Indian Exporters

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Incentives and Schemes to Indian Exporters

- EPCG Scheme (8 times 8 years 3%) & (6 times 6 years 0%)
- Duty Drawback Refund of duties paid on import of Raw Material components and packing material
- Excise Exemption
- GST Exemption (exported goods treated as zero rated supply)
- Marketing Development Assistance
- Refund of Octroi and Rail Freight
- Market Access Initiative
- Duty Free Credit
- 5 year Tax Holiday (SEZ Units)
- Longer Credit Realisation Period (SEZ Units 360 days)

Marketing Development Assistance

- Intro A fund created by GoI for export development and diversification. MDA Aid can be claimed by Indian exporters for
- √ marketing Research in India & abroad
- ✓ Export publicity in India and abroad
- ✓ Trade fairs and exhibitions
- ✓ Trade delegation for trade study
- ✓ Opening of showrooms in India
- ✓ Setting service stations abroad
- ✓ Research and development
- Assistance Amount 60% of actual expenditure for small scale units and 50% for others.

Market Access Initiative

- Adoption of FPS and FMS.
- Engineering, Electronics, Rubber, Chemicals, Plastics, Cartons, Egg Powders, etc get financial assistance for promotion.
- Exporters are subject to DCS of 2% to 5% on FoB value of exports.
- Major markets like Algeria, Egypt, Kenya, Nigeria, South Africa, Tanzania, Mexico, Australia, New Zealand, Cambodia, Vietnam, Japan, China, etc.
- Facilitates
- ✓ Marketing Projects Abroad
- √ Capacity Building training and quality upgradation
- ✓ Market studies
- ✓ Project Development
- ✓ Support for cottage and handicraft units
- ✓ Developing foreign trade facilitation web portal

- Departments of Central Govt, Indian Missions abroad, Cental/State Govt Organisations, EPCs, Trade Promotion Org, CBs, Apex Trade Bodies, Individual Exporters, etc.
- Assistance Amount -
- ✓ Publicity Campaign and Brand Promotion 50% for 2 years upto Rs. 100 lakhs per year/per market.
- ✓ Capacity Building 66% upto 10 lakhs (Developing of study and training material)
- ✓ Opening of Showrooms and Warehouses Abroad Rs. 500 lakhs per market for multi product showroom and 75%,50% and 33% of the leasing charges for 1st, 2nd and 3rd year respectively, upto Rs. 100 lakhs per market / per year.
- ✓ Market Studies 75% of cost upto Rs. 100 lakhs per study.

Assistance to States for Infrastructure Development for Exports

Equity participation in infrastructure projects,

Development of minor ports and jetties,

Assistance in setting up of common effluent treatment facilities,

Stabilizing power supply, and

Any other activity as may be notified by DoC.

Other Schemes

• IRMAC - Industrial Raw Material Assistance Centre

Mainly for MSEs - Low Price Acquisition - Credit Period of 90 days - Quality - Timely availability - Focus on Production

• EPCG - Export Promotion Capital Goods Scheme

Duty free Import of Capital Goods - new and second hand - (8 times - 8 years - 3%) & (6 times - 6 years - 0%)

- Duty Exemption and Remission Schemes
- Advance Authorization Scheme
- Duty Entitlement Passbook Scheme
- •IGST Refund
- Duty Drawback

Federation of Indian Export Organisation (FIEO)

- Apex export promotion organisation of India.
- Non profit organisation set up by Gol in 1965.
- Membership of more than 16500.
- Facilitates the following:
- ✓ Coordination of export promotion activities
- ✓ Issues Certificate of Origin
- ✓ Links trade and industry bodies
- ✓ Live chat with members
- ✓ Provoide International Exposure and Guidance
- ✓ Solve Issues of Members
- ✓ Export Promotion activities like organising seminars and workshops, open house meets, buyer-seller meets, sending and inviting trade delegates abroad, assistance in trade fairs and exhibitions.
- **✓** MDA
- ✓ Commercial Intelligence, Awards to Members, Setting up Warehouses

India Trade Promotion Organisation (ITPO)

- Since 1st Jan, 1992.
- Outcome by merger of Trade Fair Authority of India and Trade Dvelopment Authority.
- Got regional offices in Mumbai, Bengaluru, Kolkata, Chennai, Germany, Japan, UAE and USA and HQ in New Delhi.
- Acts as publicity wing of the Gol for organising and participating in domestic and international trade fairs.
- Organises Trade Fairs and Exhibitions
- Facilitates Publicity
- Collection and Supply of Information
- Delegations
- International Trade Fairs
- Consultancy Services
- Seminars and Workshops

Federation of Indian Chambers of Commerce and Industry (FICCI)

- Largest and oldest business apex in India.
- Established in 1927 by G.D. Birla and P. Thakurdas.
- A non- government and non profit organisation providing a platform for networking and consensus building across sectors.
- Serves over 2,50,000 Indian Private and Public and Multinational organisations.
- Engaged in sectors like Food Processing, Chemicals, NBFCs, Publishing, Defence, Drones, Education, etc.
- Facilitates trade exhibitions, trade fairs, conferences, seminars, workshops, reviews.

Business Services offered by FICCI

- ✓ Arbitration [FACT]
- ✓ ATA & TIR Carnet
- ✓ Business Information Services Network [BISNET]
- CSR [Advocacy and Capacity Building]
- Environment and Hazard Management
- ✓ FICCI Ladies Organisation [FLO]
- Confederation of Indian Food Trade and Industry (CIFTI)
- Resource Conservation and Managemnet
- ✓ Technology Commercialisation
- ✓ Web Initiative
- ✓ Quality Forum

Export Promotion Councils (EPCs)

- Organisations to develop and promote exports of a particular sect of products, projects and services.
- 28 EPCs in India, at present Apparels, Basic Chemicals Pharma& Cosmetics, Cashew, Carpet, Chemicals & Allied Products, Cotton Textiles, Leather, Electronics & Computer Software, Engineering, Handicraft, EOUs & SEZs, FIEO, Gems and Jewellery, Handloom, Indian Oilseed, Indian Silk, Jute Products, Pharma, Plastics, Powerloom, Projects, Services, Sports Goods, Shellac, Synthetic and Rayon, Wool and Woolens, Wool Industry, Telecom Equipment.











Commodity Boards (CBs)

- Set up by GoI to develop and promote export of certain traditional commodities.
- 7 CBs in India, at present Coffee, Coir, Coconut, Rubber, Spices, Tea amd Tobacco.
- Facilitates methods of cultivation, increased productivity, commodities processing, etc.













Indian Institute of Foreign Trade (IIFT)

- Set up in 1963 by Gol in New Delhi.
- An Autonomous Body working as a Deemed University.
- Training -International Marketing, Export Business, FTP, Export Pricing, Promotion, Incentives, Finance and Documentation, Masters in International Business, PhD in International Business, Masters in International Trade and other short term diploma and certifications.
- Colleting and supplying information.
- Delegates
- Seminars and Workshops
- Professional Advise
- Publications (Review and Bulletin)
- Market Surveys
- Student Exchange Programmes

Indian Institute of Packaging (IIP)

- Apex body set up in 1966 by Gol.
- Aims to improve packaging standards in India and create infrastructural facilities for packaging improvement in India.
- HQ in Mumbai with centers in Delhi, Hyderabad, kolkata and Chennai.
- Completed major packaging research and development projects on Cashew Kernels, Fresh Grapes, Fruits & Vegetables, Processed Food, Indian Sweets, Extruded Food, Jeera Puris, Boondhi Laddos, Dudhi Halwa, Coconut Chips, Banana Chips, Pharma Products, Honey, etc.
- In progress with major packaging research and development projects on Tender Coconut Water, Mid Day Meal, Meat & Poultry, Bulk Packaging of CTC & Orthodox Tea, Liquid Jaggery.

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