Over ₹25k-cr export promotion scheme gets Cabinet approval

Addl Credit Support Of ₹20k Cr For Exporters Also Okayed

TIMES NEWS NETWORK

New Delhi: The Union Cabinet on Wednesday cleared a Rs 25,060 crore Export Promotion Mission (EPM), spread over six years, seeking to provide a cushion to several labour-intensive sectors hit by global tariffs, while also aiming to address the oft-repeated concerns over access to export credit and logistics as well as support market access and warehousing efforts.

Besides, the Cabinet approved Rs 20,000 crore additional credit support for eligible exporters, including MSMEs, through credit guarantee scheme. The scheme, to be implemented through National Credit Guarantee Trustee Company, will aim to provide additional working capital of up to 20% of the sanctioned working capital limit for exporters through collateral-free support. The scheme is valid up to March 2026.

The long-pending Export Promotion Mission, announced in the Budget in Feb, also got the green light at a time when some of the exporters hit by US tariffs are demanding govt support. Govt identified leather, gems & jewellery, engineering goods, and marine products as priority sectors in the wake of recent developments.

CUSHIONING TARIFF-HIT SECTORS

Export Promotion Mission has two elements

Niryat Protsahan
- Interest subsidy on loans & collateral support for export credit
- Promote alternate trade instruments, such as factoring services
- Credit card for e-commerce exporters
- Help MSMEs expand into new markets through credit enhancement

Niryat Disha
- Support for quality, technical compliance
- Facilitate market access
- Warehousing support overseas
- Offset high logistics cost
- Support branding & packaging
- Aid trade facilitation, market intelligence

After the Cabinet meeting, I&B minister Ashwini Vaishnaw described the mission, which will be implemented through two subschemes — Niryat Protsahan (Rs 10,401 crore) and Niryat Disha (Rs 14,659 crore) — as "very comprehensive".

As part of Niryat Protsahan, or export promotion, the focus will be on improving access to affordable trade finance for MSMEs through a range of instruments such as interest subvention, export factoring, collateral guarantees, credit cards for e-commerce exporters, and credit enhancement support for diversification into new markets.

While govt was silent on the rate of subvention, Vaishnaw said: "Different sectors will have different requirements, different geographies will have different requirements... there are special requirements for new and higher risk markets so there might be a higher subvention for that, let the details come."

Under Niryat Disha, funds will be used for non-financial enablers such as assistance for international branding, packaging, and participation in trade fairs, export warehousing and logistics, inland transport reimbursements, and trade intelligence and capacity-building initiatives. "EPM consolidates key export support schemes such as the Interest Equalisation Scheme (IES) and Market Access Initiative (MAI), aligning them with contemporary trade needs," the commerce department said