

# Niti Lays Out Roadmap to Boost MSME Exports

Proposes lifting ecomm exports, easing access to finance; sees scope for handicrafts, handloom textiles, ayurveda.

## Our Bureau

**New Delhi:** Niti Aayog has proposed a series of measures to boost exports from micro, small and medium enterprises. These measures include boosting ecommerce exports, creating a comprehensive trade portal, promoting ease of merchandise exports, improving access to export finance and building a one-stop information channel for exporters.

"To boost ecommerce exports, it is essential to create distinction between exporter on record (EOR) and seller on record (SOR) and allow reduction in invoice value without any percentage ceiling for all ecommerce exports," the Aayog said in a report on boosting exports from MSMEs, prepared in collaboration with the Foundation for Economic Development.

Besides, it has proposed introducing an annual financial reconciliation process for ecommerce exporters, exemption of import duties on rejects or returns, granting exemption on reconciliation requirements for shipments up to \$1,000 and creating a green channel clearance for ecommerce exports. On easing of merchandise exports, the Aayog has proposed relaxations for MSMEs from certain compliance requirements for a period while putting in place a process for time-bound disbur-

sement of incentives, so that working capital is not blocked for MSMEs.

"MSMEs contribute significantly to employment generation, exports, and overall economic growth. However, exports represent an enormous and under-utilised opportunity for the MSME sector," the Aayog said in the report.

"The potential of MSMEs to grow exports is enormous and can be realised through some pragmatic measures,

which reduce the cost and friction of doing business for these firms without placing any additional fiscal burden in the form of incentives or subsidies," it said. According to the report, sectors where Indian MSMEs can participate and compete in export markets include handicrafts, handloom textiles, ayurveda and herbal supplements, leather goods, imitation jewellery and wooden products. "Globally, these sectors constitute substantial markets exceeding \$340 billion, whereas their domestic market is considerably smaller," it added.

Further, it suggested creating an end-to-end national trade portal, which will provide seamless experience to exporters, including answering queries and resolution of any gaps in paperwork. "This will help reduce the process burden as well as delay for MSME exporters and enable them to compete effectively," it said.

