

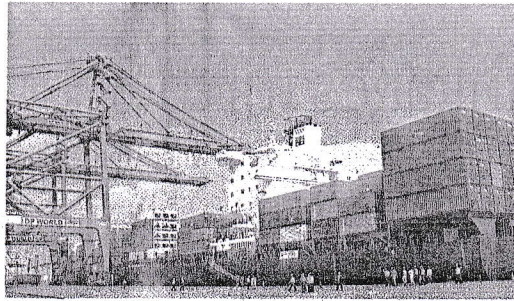
Centre may increase outlay for ₹2,250-crore export promotion mission if needed

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The government may increase the outlay for the ₹2,250-crore export promotion mission announced in the recent Budget if it is not enough to cover requirements of the various schemes that are subsumed into it, including for cheap export credit, market promotion and factoring services, according to sources.

"The figure is not cast in stone. If we go back with an EFC (expenditure finance committee) note and convincingly argue that more funds are needed, a decision may be taken in favour," a source tracking the matter told *businessline*.

The Budget for 2025-26 had not made separate allocations for the popular interest equalisation scheme (IES) for exporters, which was not extended beyond December 31, 2024, and the



MARGINAL RISE. In April-January 2024-25, goods exports from India increased 1.39 per cent to \$358.91 billion

Market Access Initiative (MAI), and both schemes would be part of the export promotion mission for now.

BUDGET ALLOCATION

Announcing the export promotion mission in her Budget speech on February 1, Finance Minister Nirmala Sitharaman said it will facilitate easy access to export credit, cross-border factoring support and assistance for MSMEs in tackling non-

tariff measures in overseas markets. Exporters are apprehensive that the allocated funds of ₹2,250 crore may not be enough to provide for all support the scheme envisages.

For instance, from April 2023 to November 30, 2024, the government disbursed ₹2,641.28 crore for the IES, while a higher ₹3,118 crore was disbursed in 2022-23 and ₹3,488 crore in 2021-22.

The IES provides credit at

a subsidised rate to eligible exporters. Additionally, the MAI scheme, important for exporters to find more buyers and newer markets, had an annual allocation of ₹200 crore last fiscal.

OTHER SCHEMES

Apart from IES and MAI, the export promotion mission also includes other schemes that need to be provided for. The Commerce, MSME and Finance Ministries are working on these schemes which are expected to be rolled out in about four-five months.

With sluggish growth in goods exports from the country, largely owing to the ongoing geo-political tensions affecting global demand, exporters have been making a case for restoration of the IES scheme for all exports and more R&D and marketing support. In April-January 2024-25, goods exports from India increased 1.39 per cent to \$358.91 billion.