

Exporters seek higher MAI allocation

Bat for up to \$3.88 bn under Market Access Initiative

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Ahead of the Interim Budget 2024, exporters have urged the government to allocate \$3.88 billion for the Market Access Initiative (MAI) scheme to promote Indian exports and help them hit the ambitious \$2 trillion target by 2030. The marketing support given under the MAI scheme, with a total allocation of less than ₹200 crore for the current year, for promoting exports of \$2 trillion is grossly inadequate, according to the Federation of Indian Export Organisations (FIEO), the apex body for exporters.

The scheme aims to promote India's exports on a sustained basis and works with a 'focus product-focus country' approach through market studies and surveys. "The country is aiming to take goods and services from \$776 billion



ON THE WISH LIST

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- Developing an Indian shipping line of global repute
- Increasing rates to 5% for all exporters under the Interest Equalization Scheme

recorded in 2022-23 to \$2 trillion by 2030. This requires aggressive export marketing to showcase Indian products and services to global customers. Therefore, for aggressive marketing, there is a need for the creation of a corpus of a minimum of 0.5 per cent of the preceding year's exports for the MAI scheme," said FIEO President (officiate) Israr Ahmed.

A focus on marketing, with government support, is expected to benefit especially small exporters.

FIEO has also urged the government for a financial outlay of ₹5,000 crore shared between the Centre and states for the District as an Export Hub (DEH) scheme.

"A planned scheme to address the infrastructure gaps through central-state funding can be the game changer and will help in exponential growth in exports from the districts, thus pushing states' exports and thereby of the country. The Budget may announce a scheme which on a pilot basis may be

introduced in 50 districts with a corpus of ₹5,000 crore with sharing between Centre and states," it said.

Over 70 per cent of India's exports are from five states and Gujarat alone accounts for over 30 per cent, according to FIEO.

Exporters have also asked the government to encourage more investment in the manufacturing sector and exports in the upcoming Budget. They urged the government to extend the sunset date for commencing manufacturing from March 31, 2024, till March 31, 2027, for companies availing 15 per cent concessional income tax rate. They have also asked the government to focus on developing an Indian Shipping Line of global repute, the body said.

The Apparel Export Promotion Council (AEPCC) has urged the government to increase the rates to 5 per cent for all exporters under the Interest Equalization Scheme. This will increase the apparel industry's competitiveness in the international market and enable it to avail necessary working capital.