

9/2/2012-E&MDA
Government of India
Ministry of Commerce & Industry
Dept. of Commerce

MARKETING DEVELOPMENT ASSISTANCE SCHEME
(REVISED GUIDELINES W.E.F. 01.06.2013)

Export promotion continues to be a major thrust area for the Government. In view of the prevailing macro economic situation with emphasis on exports and to facilitate various measures being undertaken to stimulate and diversify the country's export trade, Marketing Development Assistance (MDA) Scheme is under operation through the Department of Commerce to support the under mentioned activities:

- (i) Assist exporters for export promotion activities abroad.
- (ii) Assist Export Promotion Councils (EPCs) to undertake export promotion activities for their product(s) and commodities.
- (iii) Assist approved organizations/trade bodies in undertaking exclusive non-recurring innovative activities connected with export promotion efforts for their members.
- (iv) Assist Focus export promotion programmes in specific regions abroad like FOCUS (LAC), Focus (Africa), Focus (CIS) and Focus (ASEAN + 2) programmes.
- (v) Residual essential activities connected with marketing promotion efforts abroad.

2. Administration of the Scheme

- (i) The utilization of scheme is administered by the E&MDA Division in the Department of Commerce, Government of India, Udyog Bhavan, New Delhi – 110 011. Recognized EPCs on product grouping basis, Commodity Boards and Export Development Authorities are eligible for MDA assistance for development and promotional activities to promote exports of their products and commodities from India.
- (ii) MDA budget allocation to recognized EPCs and other export promotion organizations for export promotion activities including specific development and promotional projects are finalized in annual meeting with the respective EPCs, which is chaired, by the Additional Secretary and Financial Advisor (AS&FA), Department of Commerce. Proposals for adhoc grants for exclusive innovative export promotional activities, which are considered helpful to promote exports of Indian products and commodities are examined by the E&MDA Division and decided with the approval of the AS&FA.
- (iii) Proposals of individual exporters for eligible MDA supported activities like participation in EPC led BSMs/Trade Fairs/Exhibitions for reimbursement of MDA assistance will be considered and approved by the Chief Executive Officer of the Export Promotion Councils/FIEO etc.

The MDA Committee in the Dept. of Commerce shall test check 10% of the cases approved by the EPCs etc. through a random selection method, based on the monthly progress reports to be send by the EPCs.

Assistance to individual exporters for export promotion activities abroad – Participation in EPC etc. led BSMs/Trade Fairs/ Exhibitions:

- (i) Exporting companies with an f.o.b. value of exports of upto **Rs. 30 crore** in the preceding year will be eligible for MDA assistance for participation in BSMs/fairs/exhibitions abroad to explore new markets for export of their specific product(s) and commodities from India in the initial phase. This will be subject to the condition that the exporter has completed 12 months membership with concerned EPC and filing of returns with concerned EPC/organisation regularly. However, this condition would not apply in case of a new EPC for a period of 5 years from the date of its creation. **No such ceiling is applicable for participation in Focus LAC region.**
- (ii) Assistance would be permissible on travel expenses by air, in economy excursion class fair and/or charges of the built up furnished stall. This would, however, be subject to an upper ceiling mentioned below in the table per tour.

Sl. No. (1)	Area/Sector (2)	No. of visits (3)	Maximum Financial ceiling per event (4)
1.	Focus LAC	1	Rs. 2,50,000
2.	FOCUS AFRICA (including WANA Countries)	1	Rs. 2,00,000
3.	FOCUS CIS	1	Rs. 2,00,000
4.	FOCUS ASEAN+2	1	Rs. 2,00,000
5.	General Areas	1	Rs. 1,50,000*
	TOTAL	5	

(iii) The participation of individual companies in the above activities shall be subject to the following conditions:

1. For EPC etc. led BSMs only air-fare by Economy Excursion class upto a maximum of Rs. 70,000 (Rs. 1,00,000 in case of Focus LAC) shall be permissible. For participation in Trade Fairs/Exhibitions reimbursement shall be permissible subject to ceilings mentioned in the column 4 in the above table.
2. Maximum number of permissible participations shall be five in a financial year as indicated in above table.

However, for priority sectors, having large employment generation potential, viz. Agriculture including food items, Handicrafts, Handlooms, Carpets, Leather & Minor Forest Produce etc., 2 (two) participations in General Areas would be admissible with the assistance of Rs. 2,00,000 for each participation. The exporters availing of assistance under this provision would, however, be in addition to these participations, eligible for only any 2 Focus Area participations.

3. Assistance shall be permissible to one regular employee/director/ partner/proprietor of the company. Assistance would not be available to exporter of foreign nationality or holding foreign passport.
4. Intimation application must be received in the concerned EPC etc. with a minimum of 14 days clear advance notice excluding the date of receipt of application in the office of the concerned organization and the date of departure from the country. Intimation and the application must be sent electronically by e-mail also.
5. The company shall not be under investigation/charged/prosecuted/ debarred/black listed under the Foreign Trade Policy of India or any other law relating to export and import business.
6. Maximum MDA assistance shall be inclusive of MDA assistance received from all Govt. bodies/ FIEO/ EPCs/ Commodity Boards/ Export Development Authorities/ ITPO etc.,

A Maximum of three participations in a particular trade fair/exhibition would be eligible for MDA assistance and exporting companies after availing assistance three times including past cases for a particular fair/exhibition, have to participate in that fair, if any, on self-financing basis.