

## Government notifies a scheme for Transport and Marketing Assistance (TMA) for Specified Agriculture Products

The Department of Commerce of the Ministry of Commerce & Industry has notified a scheme for Transport and Marketing Assistance (TMA) for Specified Agriculture Products. The “Transport and Marketing Assistance” (TMA) for specified agriculture products scheme aims to provide assistance for the international component of freight and marketing of agricultural produce which is likely to mitigate disadvantage of higher cost of transportation of export of specified agriculture products due to trans-shipment and to promote brand recognition for Indian agricultural products in the specified overseas markets. The scheme would be suitably included in the Foreign Trade Policy (2015-20).

### Coverage

- a) All exporters, duly registered with relevant Export Promotion Council as per Foreign Trade Policy, of eligible agriculture products shall be covered under this scheme.
- b) The assistance, at notified rates, will be available for export of eligible agriculture products to the permissible countries, as specified from time to time.

### Applicability

The Scheme would be applicable for a period as specified from time to time. Presently the Scheme would be available for exports effected from 1.3.2019 to 31.03.2020.

## **Eligibility of Products**

The assistance will be provided on export of all agriculture products covered in HSN chapter 1 to 24 including marine and plantation products except those mentioned in Annexure (1).

## **Pattern of Assistance**

- a) Assistance under TMA would be provided in cash through direct bank transfer as part reimbursement of freight paid. FOB supplies where no freight is paid by Indian exporters are not covered under this scheme.
- b) The level of assistance would be different for different regions as notified from time to time for export of eligible products. List of export destinations/countries in each region eligible for assistance under TMA are mentioned in Annexure (2).
- c) The assistance shall be admissible only if payments for the exports are received in Free Foreign Exchange through normal banking channels.
- d) The scheme shall be admissible for the exports made through EDI ports only.
- e) The scheme covers freight and marketing assistance for export by air as well as by sea (both normal and reefer cargo).
- f) For export of products by sea, TMA will be based on the freight paid for a full Twenty-foot Equivalent Unit (TEU) containers. The assistance will not be available for (i) Less than Container Load (LCL) and (ii) a container having both eligible and ineligible category of cargo. Further, no TMA is available where the cargo is shipped in bulk/break bulk mode. A forty feet container will be treated as two TEUs.
- g) Assistance for products exported by air would be based on per ton freight charges on net weight of the export cargo, calculated on the full ton basis, ignoring any fraction thereof.
- h) The assistance will be provided at the rates as notified in Annexure 3.

## **Categories of export ineligible for TMA**

The following exports categories / sectors shall be ineligible under this scheme:

- I. Products exported from SEZs/ EOUs/ EHTPs/ STPs/ BTPs/ FTWZs
- II. SEZ/EOU/EHTPs/STPs/BTPs/FTWZs products exported through DTA units
- III. Export of imported goods covered under paragraph 2.46 of the FTP;
- IV. Exports through trans-shipment, i.e. exports that are originating in third country but trans- shipped through India;
- V. Items, which are restricted or prohibited for export under Schedule-2 of Export Policy in ITC (HS), unless specifically notified.
- VI. Export products which are subject to Minimum Export Price or export duty, unless specifically notified.
- VII. Export of goods through courier or foreign post offices using e-Commerce

#### **Procedure for Availing Assistance under the Scheme**

TMA would be reimbursed through the Regional Authorities of DGFT as per the procedure laid down in Chapter 7(A) of Handbook of Procedures (2015-2020).

#### **Mechanism for Scrutiny of the claims, audit, recovery and penal action.**

DGFT will lay down procedure for scrutiny of the claims, audit of the payments made, recovery of the ineligible/excess paid assistance, interest on such recoveries. The defaulters shall be liable for penal action under the provisions of Foreign Trade (Development & Regulation) Act, 1992, Rules and orders made there under.

#### **Annexure (1)**

##### List of agriculture products not eligible under TMA:

The assistance will be provided for all agriculture products covered under HSN chapter 1 to 24, with the following exceptions:

Chapter	HS Codes	Description
<b>Chapters 1, 2 &amp; 5</b>	All HS Codes	- Live animals - Meat and Edible Meat Offal - Products of Animal Origin, not elsewhere specified or included
<b>Chapter 3</b>	030617	- Other shrimps and prawns :
<b>Chapter 4</b>	0401	-Milk and cream, not concentrated nor containing added sugar or other sweetening matter
	0402	- Milk and cream, concentrated or containing added sugar or other sweetening matter
	0403	- Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa
	0404	- Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included
	0405	- Butter and other fats and oils derived from milk; dairy spreads
	0406	- Cheese and curd
<b>Chapter 7</b>	0703	- Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled
<b>Chapter 10</b>	1001,	-Wheat And Meslin

	1006		-Rice
<b>Chapters 13 &amp; 14</b>	All HS Codes		- Lac; Gums, Resins and other Vegetable Saps and Extracts - Vegetable Plaiting Materials; Vegetable Products not elsewhere specified or included
<b>Chapter 17</b>	1701,  1703		-Cane Or Beet Sugar And Chemically Pure Sucrose, In Solid Form - Raw Sugar Not Containing Added Flavouring Or Colouring Matter ; -Molasses resulting from the extraction or refining of sugar
<b>Chapters 22 and 24</b>	All HS Codes		- Beverages, Spirits and Vinegar - Tobacco and Manufactured Tobacco Substitutes

### **Annexure (2)**

List of Export destinations/countries in each region under TMA:

List of Regions and Export destinations/countries in each region eligible for assistance under TMA are as under:

<b>Region</b>	<b>Country Name</b>
<b>West Africa</b>	Benin, Mali, Burkina Faso, Mauritania, Ivory Coast, Niger, Cape Verde, Nigeria

<b>EU</b>	Albania, Andorra, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Kosovo, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Monaco, Montenegro, Netherlands, Norway, Poland, Portugal, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom, Vatican City
<b>Gulf</b>	Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates
<b>North America</b>	Antigua and Barbuda, Bahamas, Barbados, Belize, Canada, Costa Rica, Cuba, Dominica, Dominican Republic, El Salvador, Grenada, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Trinidad and Tobago, United States of America
<b>ASEAN</b>	Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam
<b>Russia &amp; CIS</b>	Armenia, Azerbaijan, Belarus, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan
<b>Far East</b>	Japan, North Korea, South Korea
<b>Oceania</b>	Australia, Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, New Zealand, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu
<b>China</b>	PRC China, Hong Kong, Taiwan
<b>South America</b>	Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guyana, Peru, Paraguay, Suriname, Uruguay, Venezuela

### **Annexure (3)**

Differential rate of assistance under TMA (Amount in Indian Rupees):

Region	Amount Per TEU (Normal)	Amount Per TEU (Reefer)	By Air Amount per tonne
<b>West Africa</b>	11200	19600	840
<b>EU</b>	9800	21000	1120
<b>Gulf</b>	8400	14000	700
<b>North America</b>	21000	28700	2800
<b>ASEAN</b>	5600	12600	700
<b>Russia &amp; CIS</b>	12600	22400	700
<b>Far East</b>	8400	12250	840
<b>Oceania</b>	16800	24500	2800
<b>China</b>	0	12600	840
<b>South America</b>	23800	31500	3500

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