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## **Government Provides Big Boost to Exporters**

- Under the decisive leadership of Hon'ble Prime Minister Shri Narendra Modi, Government of India has decided to budget Rs 56,027 crore in this Financial Year FY 21-22 itself in order to disburse all pending export incentives due to exporters. This amount includes claims relating to MEIS, SEIS, RoSL, RoSCTL, other scrip based schemes relating to earlier policies and the remission support for RoDTEP and RoSCTL for exports made in the 4th quarter of FY 20-21. Benefits would be disbursed to more than 45,000 exporters, out of which about 98% are small exporters in the MSME category.
- The amount of Rs 56,027 crores of arrears is for different export promotion and remission schemes: MEIS (Rs 33,010 crore), SEIS (Rs 10,002 crore), RoSCTL (Rs 5,286 cr), RoSL (Rs 330 crore), RoDTEP (Rs 2,568 crore), other legacy Schemes like Target Plus etc (Rs 4,831 crore). This amount is over and above duty remission amount of Rs 12,454 crore for the RoDTEP scheme and Rs 6,946 crore for RoSCTL scheme already announced for exports made in this year i.e. FY 2021-22.
- Exports in India have seen robust growth in recent months. Merchandise exports for April-August, 2021 was nearly \$164 billion, which is an increase of 67% over 2020-21 and 23% over 2019-20. This decision to clear all pending export incentives within this financial year, will lead to even more rapid export growth in coming months.
- For merchandise exports, all sectors covered under MEIS, such as Pharmaceuticals, Iron and steel, Engineering, Chemicals, Fisheries, Agriculture and allied Sectors, Auto and Auto Components would be able to claim benefits for exports made in earlier years. Benefits would help such sectors to maintain cash flows and meet export demand in international market, which is recovering fast this financial year.
- Service sector exporters, including those in the travel, tourism and hospitality segments will be able to claim SEIS benefits for FY 2019-2020, for which Rs 2,061 crore has been provisioned. The SEIS for FY 2019-20 with certain revisions in service categories and rates is being notified. This support would have a multiplier effect and spur employment generation.
- The apparel sector, which is a major labour-intensive sector, would get past arrears under ROSCTL and ROSL, and all stakeholders in the interconnected supply chains would be strengthened to meet the festive season demand in international markets.
- Export claims relating to earlier years will need to be filed by the exporters by 31st December 2021 beyond which they will become time barred. The Online IT portal will be enabled shortly to accept MEIS and other scrip based applications and would be integrated with a robust mechanism set up by Ministry of Finance to monitor provisioning and disbursement of the export incentives under a budgetary

framework.

- A decision to clear all pending export incentives within this Financial Year itself despite other budgetary commitments arising out of the pandemic is with the objective of providing timely and crucial support to this vital pillar of Indian economy.

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Warm Regards,

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