

COIR BOARD

(MINISTRY OF AGRO AND RURAL INDUSTRIES, GOVERNMENT OF INDIA)
COIR HOUSE, M.G. ROAD, ERNAKULAM, KOCHI-682015, KERALA, INDIA

No: CB/2003-04/EM-II/4/1

Date: 01-04-2004

Dear Exporter,

**Sub: Marketing Development Assistance (MDA) of the Ministry of
Commerce – Revised Guidelines effective from 1st April, 2004.**

Marketing Development Assistance (MDA) has been one of the important measures being undertaken by the Government of India through the Department of Commerce and Industry to stimulate and diversify the country's export trade. Besides providing assistance to the exporters in undertaking export market development programmes like participation in Buyer Seller Meet/Trade Fair and Exhibitions/Trade Delegations etc. through its own external Market Development Assistance Scheme, Coir Board has also been facilitating the exporters to avail of the assistance available for various export market development programmes under the MDA Scheme of the Ministry of Commerce and Industry. The Ministry has issued revised guidelines which will come into force with effect from, 1st April, 2004 and which would supercede all instructions/guidelines issued prior to those revised norms on Marketing Development Assistance Scheme. The revised guidelines prescribed in the Ministry of Commerce communication No. 2/1/2004-E&MDA dated 19th February, 2004 are given below for your information and guidance.

1. Agencies through which MDA Scheme is implemented:

- (i) Export Promotion Councils
- (ii) Approved Organizations consisting of Commodity Boards, Development Authorities and FIEO.
- (iii) Other approved trade bodies like Export Inspection Council, FICCI, Associated Chamber of Commerce and Industry, CII etc.

2. Activities covered under the Assistance Scheme.

- (i) Buyer Seller Meet
- (ii) Trade Fairs and Exhibitions
- (iii) Trade Delegations

3. Eligibility Criteria

- (i) Exporting Companies with an FOB of exports up to **Rs.5 Crores** in the preceding year will only be eligible for MDA assistance.
- (ii) The beneficiary exporter should have completed twelve months membership continuously with the concerned EPC/Commodity Board/Approved Trade Bodies.
- (iii) MDA will be granted for export market development programmes (as identified above) only to those exporters who participate in those **programmes led by EPCs/Commodity Boards** etc. (Note that the requirement of beneficiary firm participating along-with the

EPC/Commodity Board for being eligible for MDA was not there in as per the existing guidelines for availing MDA.

4. Permissible Limit

Assistance would be permissible on travel expenses by air, in economy excursion class fair and/or charges of the built up furnished stall, @ 90% for exporters having valid SSI registration certification and @ 75% for others including merchant exporters. This would, however, be subject to an upper ceiling mentioned below in the table per tour.

Sl. No.	Area/Sector	No. visits eligible	Maximum Financial ceiling per event		
			BSM/Trade Fair/Delegation/Exhibition etc. abroad (Travel grant (A))	Trade Fair/Exhibition abroad. (Stall charges) (B)	Total (in Rs.) (A+B)
(1)	(2)	(3)	(4)	(5)	(6)
1.	Focus LAC	1	Rs.90,000/-	Rs.50,000/-	1,40,000/-
2.	Focus Africa (including WANA Countries)	1	Rs.60,000/-	Rs.50,000/-	1,10,000/-
3.	Focus CIS	1	Rs.60,000/-	Rs.50,000/-	1,10,000/-
4.	Focus ASEAN	1	Rs.60,000/-	Rs.50,000/-	1,10,000/-
5.	General Areas	1	Nil	Rs.50,000/-	50,000/-
	Total	5			

5. Other Conditions

- (i) For EPC etc. led Trade Delegation/BSMs only by Economy Excursion class as indicated in Column 4 above shall be permissible. For participation in Trade Fairs/Exhibitions shall charges in addition to travel expenditure shall also be permissible subject to ceiling mentioned in the Column 6 in the above table.
- (ii) **Maximum number of permissible participations shall be five in a financial year** as indicated in the above table (No travel grant is permissible for one visit to General Areas).
- (iii) 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.
- (iv) 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.
- (v) The company shall not be under investigation/ charged/ prosecuted/ blacklisted under EXIM Policy of India or any other law relating to export and import business
- (vi) Maximum MDA assistance shall be inclusive of MDA assistance received from all Government bodies/FIEO/EPCs/Commodity Board/Export Development Authorities/ITPO etc.
- (vii) **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.

- (viii) The exporters participating in EPC/Commodity Board sponsored trade delegations/trade fairs and exhibitions/Buyer-cum-Seller Meet etc. abroad shall receive the MDA assistance on reimbursement basis on scales.

6. Documentation Requirement

- (i) Intimation application duly completed and signed in the prescribed format (annexure V) shall be submitted by the exporter to the concerned EPC etc, giving clear 14 days advance notice.
- (ii) Concerned Organization (FIEO, EPC etc.) on receipt of application shall examine and issue approval letter to the exporter preferable within 5 working days of the receipt of the application form in the prescribed format (Annexure-VI)
- (iii) Claim along with the declaration duly completed shall be submitted by the exporter to the concerned Organization (FIEO, EPC etc.) in the prescribed format (Annexure-VII) along-with the under mentioned papers immediately on return to India after completion of the activity but positively within three months of their return to India:
- Details of activity undertaken earlier with MDA assistance to the same country/countries.
 - Self-certified copy of the export house/trading house certificate, if applicable.
 - Self-certified copy of SSI registration certificate issued by the concerned Directorate of Industries if applicable.
 - Legible photocopy of passport highlighting the entries about departure from and arrival in to India and also the countries visited. In case, passport does not have arrival/departure dates regarding visits to various countries, some documentary evidence such as Hotel Bills, Boarding pass, lodging pass etc. be submitted.
 - Original air ticket/jacket used during the journey. If Original air ticket/jacket is lost a legible photocopy of the same along-with a certificate from the concerned airline indicating following may be sent:
 - a. Name of the traveler
 - b. Ticket number
 - c. Flight No.
 - d. Date of departure from India
 - e. Sector/countries visited
 - f. Class in which traveled
 - g. Economy excursion class fare for sectors/countries visited
 - Self certified F.O.B value export figures during the last three financial years, year wise.
 - Brief report about the activity participated and achievements made.
- (iv) Claim form received after three months of return to India or wherein the deficiencies in the claim as intimated by the concerned EPC, FIEO

etc. are not fully completed within 30 days of the date of directions given in this regard by the concerned EPC, FIEO etc. would not be entertained and rejected.

A copy of the application form for Marketing Development Assistance is enclosed.

You are requested to plan your export market development programmes systematically in advance so as to ensure optimum utilization of various assistance provided under the Marketing Development Assistance Scheme of the Ministry of Commerce towards expanding your trade. If you require any clarification/assistance in this regard, please do not hesitate to get in touch with us.

Assuring you of our co-operation always and wishing you all success in your export endeavor.

Yours faithfully,

Sd/-
(P. AJIDKUMAR)
JOINT DIRECTOR (PLG)