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# Export Promotion Mission 2025-31 — India's MSME Export Push and the Niryat Framework

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# Export Promotion Mission 2025-31 — India's MSME Export Push and the Niryat Framework

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## WHY IN NEWS

The government launched **7 new interventions** under India's **Export Promotion Mission (EPM)** — a ₹25,060 crore, 6-year programme — targeting MSMEs, e-commerce exporters, and geographically disadvantaged districts through a two-stream “Niryat” framework.

## WHAT IS THE EXPORT PROMOTION MISSION?

The **Export Promotion Mission (EPM)** is a Government of India initiative announced in **Union Budget 2024-25**, operationalised by the **Ministry of Commerce and Industry (DPIIT/DGFT)**. Its core objective: accelerate India's merchandise exports, with a special focus on **Micro, Small, and Medium Enterprises (MSMEs)** that face structural barriers to export participation — access to credit, global certification costs, freight disadvantages, and marketing reach.

### Key parameters:

**Total outlay:** ₹25,060 crore

**Duration:** 6 years — FY 2025-26 to FY 2030-31

**Structure:** Two streams — Niryat Protsahan + Niryat Disha

**Coverage:** 40+ countries including Australia, Canada, Germany, Japan, UK, UAE

## THE NIRYAT FRAMEWORK: TWO STREAMS

### 1. Niryat Protsahan (Financial Enablers)

Financial support mechanisms that reduce the cost of exporting:

Intervention	Detail
<b>Export Factoring</b>	2.75% interest subvention; ₹50 lakh annual cap; helps MSMEs access working capital against export receivables
<b>E-commerce Export Credit</b>	₹50 lakh (90% guarantee) to ₹5 crore (75% guarantee) — credit for B2C exporters on global platforms
<b>LIFT (Logistics for International Freight Transportation)</b>	30% freight reimbursement for exporters in geographically disadvantaged districts (hilly/remote areas far from ports)
<b>Overseas Warehousing</b>	Support for setting up warehouses abroad to enable just-in-time delivery in key markets

## 2. Niryat Disha (Non-Financial Enablers)

Capacity building and market access support:

Intervention	Detail
<b>TRACE (Trade Certification &amp; Testing)</b>	60-75% reimbursement for international certification, testing, and quality compliance costs
<b>Overseas Branding</b>	Co-funding for brand building in priority export markets
<b>MSME Capacity Building</b>	Training, mentoring, and handholding for first-time exporters

## INDIA'S EXPORT CONTEXT

India's **merchandise exports** stood at approximately **USD 437 billion (FY 2023-24)**, making India the world's **16th largest exporter**. The government's target is **USD 1 trillion in merchandise exports by 2030** — requiring more than doubling current exports in under a decade.

**MSMEs and exports:** MSMEs contribute approximately **45% of India's total exports**. However, most MSMEs participate as sub-suppliers to larger export houses rather than as direct exporters. The EPM aims to convert indirect exporters to direct exporters by reducing entry barriers.

**FTA advantage:** India's FTAs (Free Trade Agreements) now cover nations accounting for **70% of global GDP** — including the **UAE-India CEPA (2022)**, **India-Australia ECTA (2022)**, and negotiations underway for India-UK FTA, India-EU FTA, and Canada FTA. EPM's 40+ country targeting aligns with these FTA markets.

## KEY INSTITUTIONAL ECOSYSTEM

**DGFT (Directorate General of Foreign Trade):** Under Ministry of Commerce; administers India's Foreign Trade Policy (FTP 2023), issues IECs (Importer Exporter Codes), and implements export promotion schemes.

**ECGC (Export Credit Guarantee Corporation of India):** PSU under Ministry of Commerce; provides credit insurance to exporters and banks against non-payment risks. EPM's export credit guarantees (90-75%) are routed through ECGC.

**Export Promotion Councils (EPCs):** 14 EPCs (Leather, Gems & Jewellery, Chemicals, Engineering, etc.) + commodity boards (Spices Board, Coffee Board, Tea Board) facilitate sector-specific export promotion.

**EXIM Bank:** Export-Import Bank of India (under Ministry of Finance) — provides long-term finance for capital goods exports, project exports, and credit lines to foreign governments for purchasing Indian goods.

**RoDTEP (Remission of Duties and Taxes on Exported Products):** Introduced 2021 to replace MEIS; provides WTO-compliant tax refunds on embedded taxes in export goods.

## CHALLENGES FOR MSME EXPORTERS

**1. Credit access:** MSMEs often lack collateral for trade finance. Export factoring and credit guarantees under EPM directly address this.

**2. Certification costs:** International quality standards (ISO, CE, FDA, BIS Export) cost lakhs — prohibitive for small units. TRACE's 60-75% reimbursement reduces this barrier.

**3. Logistics disadvantage:** MSMEs in inland districts (Uttar Pradesh, Madhya Pradesh, Bihar, Rajasthan) face high freight costs to ports. LIFT's 30% reimbursement improves competitiveness.

**4. Digital export:** India's e-commerce export potential (cross-border B2C) is underdeveloped. India's e-commerce exports were ~USD 5 billion in FY2023-24 vs. China's ~USD 220 billion. The e-commerce credit intervention targets this gap.

**5. Brand recognition:** "Made in India" lacks premium perception in most categories (exceptions: yoga, Ayurveda, basmati rice, diamonds, gems). Overseas branding support aims to build category-level brand equity.

## UPSC RELEVANCE

*Export Promotion Mission (EPM) — ₹25,060 crore, 6 years; Niryat Protsahan (financial) + Niryat Disha (non-financial); LIFT (30% freight reimbursement); TRACE (certification support); ECGC; RoDTEP; DGFT; IEC code; Foreign Trade Policy 2023; India's FTA coverage (70% global GDP); India's merchandise exports (FY24 ~USD 437B); MSME share in exports (~45%).* **Mains GS-3:** India's export strategy; MSME role in exports; FTA utilisation; WTO compatibility of export subsidies; trade credit infrastructure. **Interview:** “India's export target of USD 1 trillion by 2030 requires radical change in MSME export participation. What structural reforms would you prioritise beyond financial subsidies?”

## ★ FACTS CORNER — KNOWLEDGEPEDIA

### EXPORT PROMOTION MISSION (EPM):

Outlay: **₹25,060 crore** | Duration: **FY 2025-26 to 2030-31** (6 years)  
 Streams: **Niryat Protsahan** (financial) + **Niryat Disha** (non-financial)  
 Target countries: **40+** (Australia, Canada, Germany, Japan, UK, UAE, others)

### 7 KEY INTERVENTIONS:

- Export Factoring: **2.75%** interest subvention, ₹50 lakh annual cap
- E-commerce Credit: ₹50L (90% guarantee) → ₹5Cr (75% guarantee)
- TRACE: **60-75%** reimbursement for testing/certification
- LIFT: **30%** freight reimbursement for disadvantaged districts
- Overseas Warehousing
- Overseas Branding
- MSME Capacity Building

### INDIA'S EXPORT DATA:

Merchandise exports FY24: **~USD 437 billion** | World rank: **~16th**  
 Government target: **USD 1 trillion** merchandise exports by 2030  
 MSME share in exports: **~45%**  
 India's FTA coverage: **70% of global GDP**

### KEY EXPORT INSTITUTIONS:

**DGFT**: Directorate General of Foreign Trade (FTP, IEC codes) — Ministry of Commerce  
**ECGC**: Export Credit Guarantee Corporation (credit insurance) — Ministry of Commerce  
**EXIM Bank**: Long-term export finance — Ministry of Finance  
**RoDTEP**: WTO-compatible tax refund scheme (replaced MEIS, 2021)

### INDIA'S KEY FTAS (RECENT):

UAE-India CEPA: **February 2022** (most comprehensive bilateral FTA)  
 India-Australia ECTA: **April 2022**  
 India-UK FTA: Under negotiation  
 India-EU FTA (BTIA): Under negotiation (resumed 2022 after 8-year gap)

### OTHER RELEVANT FACTS:

Cross-border e-commerce exports: India ~USD 5B vs. China ~USD 220B (FY24)  
 India's top merchandise exports: Petroleum products, gems & jewellery, engineering goods, pharma, textiles  
 14 Export Promotion Councils + Commodity Boards (Spices, Coffee, Tea, Rubber, Tobacco)

Sources: GKToday, Drishti IAS

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