

Transport and Marketing Assistance for Specified Agriculture Products scheme

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In News: Department of Commerce of the Ministry of Commerce & Industry has notified a scheme for Transport and Marketing Assistance (TMA) for Specified Agriculture Products.

Objective

- 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.
- Scheme would be suitably included in the Foreign Trade Policy (2015-20).

Coverage

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

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

- 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.
- 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).
- The assistance shall be admissible only if payments for the exports are received in Free Foreign Exchange through normal banking channels.
- The scheme shall be admissible for the exports made through EDI ports only.
- The scheme covers freight and marketing assistance for export by air as well as by sea (both normal and reefer cargo).
- For export of products by sea, TMA will be based on the freight paid for a full Twenty-foot Equivalent Unit (TEU) container.
- The assistance will not be available for
 - Less than Container Load (LCL)
 - A container having both eligible and ineligible categories of cargo.
- 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.

Categories of export ineligible for TMA

- Products exported from SEZs/ EOU/ EHTPs/ STPs/ BTPs/

FTWZs

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

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

- DGFT will lay down procedures 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 thereunder.