



## Abstract

Micro, Small and Medium Enterprises Department – Scheme of Special Export Promotion and Marketing Support Scheme to enhance the competitiveness of MSME units in Domestic and International Markets – Sanction – Orders – Issued.

### Micro, Small and Medium Enterprises (G) Department

G.O. (Ms) No. 47.

Dated 20.07.2017

ஹேவிளம்பி வருடம், ஆடி 4  
திருவள்ளூர் ஆண்டு, 2048

Read:

From the Managing Director, Tamil Nadu Small Industries Development Corporation Limited letter Rc. 1911 / CA & IC / 2017-2, Dated 17.04.2017.

#### ORDER:-

In the Budget Speech for 2017-18, the following scheme has been announced:-

**“ A special export promotion and marketing support scheme will be launched at an outlay of Rs.10 crore to enhance the competitiveness of MSME units in domestic and international markets “.**

2. Based on the above announcement, the Managing Director, SIDCO has sent proposal and stated that MSMEs play a pivotal role in the State's economy. The State Government attaches greater importance for the vibrant growth of MSMEs by offering many incentives, subsidies etc. The vision 2023 statistic documents identify marketing assistance is one of the key pillars for MSMEs developers. Identifying market for the product and marketing of the product in the identified market within and outside the country is a challenging task for MSMEs. As they lack the resources, the MSMEs require support from the Governments so that they will be able to identify and tap the global market and will be in a position to sustain the competitive market dominated by international players. Therefore for the promotion of MSMEs products in overseas market, it is proposed to enhance their exposure to potential foreign countries to identify market for their products, to participate in international exhibitions, to show case their products, to tap international buyers and also attract investors in the Small Medium Enterprises units.

3. The scheme will be titled as "Export Promotion and Marketing Support Scheme for MSMEs". Under the scheme, Financial Assistance will be provided for Export Promotion activities of MSME Units. The activities will include market studies / surveys, catalogue preparation / warehouse, participation in international trade fairs, publicity campaigns,



brand promotion, reimbursement of registration charges, samples testing charges for engineering products abroad, etc.,. In order to meet objective of the scheme the following activities will be within the scope of the scheme.

- To give an opportunity to MSME units to visit potential foreign countries to search for new markets for their products.
- To participate in the international exhibitions of focused sectors which provide good opportunities for our MSME units operate in that sector.
- To participate in international seminars to enrich their knowledge and to keep abreast with the latest trends in their industries.
- To participate in the buyer – seller meets to identify new customers in the overseas market which will help to develop their business and to identify new customers.
- Sector specific studies by the Associations.

#### Eligibility criteria

- i. Unit having valid permanent registration with Directorate of Industries / District Industries Centres.
- ii. The selection of small, micro manufacturing units would be done as per display product profile, theme of the fair and space availability.
- iii. Micro and Small Manufacturing Enterprise can avail this facility only once in a three year period.
- iv. Only one person of the participating unit would be eligible for subsidy on air fare.
- v. The participating units at International Trade Fairs / Exhibitions has to pay 25% of space rental charges of booked space (minimum 6 sq.mts.) by enterprises of General categories to SIDCO atleast one month advance of the commencement of the event. Women entrepreneurs & SC/ST entrepreneurs will be provided space at free of cost. In the event of non participating, the security deposit will be forfeited in all cases.
- vi. The representatives of the participating units are required to carry and manage the samples (to and fro including custom clearance etc.,) for display at the international Trade Fairs / Exhibitions.

#### Scheme Implementation Agency:

The scheme will be implemented by SIDCO.

4. The MSMEs though have the capacity to export their products, lack financial resources to visit foreign countries to look for new markets for their products and to participate in the international exhibitions and Buyer



- Seller Meet to showcase their products. Hence, the MSMEs are to be provided with the following assistance to promote export marketing.

#### **(A) Trade Delegation for Business Exploration:**

Five MSME delegations (minimum five and maximum ten entrepreneurs) will be assisted to visit foreign countries to explore market and to participate in the International Exhibition in a financial year.

- i) 75% of economy class air fare subject to a maximum of Rs.60,000/- whichever is less will be paid to one representative of the participating unit.
- ii) 100% of economy class air fare subject to a maximum of Rs.75,000/- whichever is less will be paid to women entrepreneur and SC / ST of the participating unit.
- iii) The entire cost of stay, food and local transport is to be borne by them.
- iv) Government officials accompanying the participants will be paid actual economy class air fare and the eligible allowances towards stay, food and local travelling expenses.

#### **(B) Visits to International Exhibitions (Walk through Exhibition):**

Five MSME delegations (minimum five and maximum ten entrepreneurs) from different industry will be assisted in a financial year to visit international exhibitions of their respective industry to keep abreast of the latest technological developments taken place so as to remain updated to face challenges.

- i) Entry fee in the international exhibitions conducted in foreign countries as a business visitor by a MSME unit will be paid.
- ii) 50% of economy class air fare subject to a maximum of Rs.50,000/- whichever is less will be paid to one representative of the participating unit.
- iii) 75% of economy class air fare subject to a maximum of Rs.50,000/- whichever is less will be paid to women entrepreneur and SC / ST of the participating unit.
- iv) The entire cost of food, stay and local transport is to be borne by them.
- v) Government officials accompanying the participants will be paid actual economy class air fare and the eligible allowances towards stay, food and local travelling expenses as per their eligibility.

#### **(C) Participation in Trade Exhibitions & Putting up Stalls)**

Five MSME delegations (minimum five and maximum ten entrepreneurs) will be assisted in a financial year to visit foreign countries to participate in international exhibitions and Buyer – Seller



Meet to show case their products and capabilities and to identify new customers for their products.

- i) 50% of economy class air fare subject to a maximum of Rs.50,000/- whichever is less will be paid to one representative of the participating unit.
- ii) 75% of economy class air fare subject to a maximum of Rs.50,000/- whichever is less will be paid to women entrepreneur and SC / ST of the participating unit.
- iii) 50% of the stall charges will be paid to the regular participating unit.
- iv) 75% of the stall charges will be paid to the participating unit run by women entrepreneur and SC / ST
- v) The entire cost of food, stay and local transport is to be borne by them
- vi) Government officials accompanying the participants will be paid actual economy class air fare and the eligible allowances towards stay, food and local travelling expenses.

**(D) Domestic Business visits:**

Five MSME delegations (minimum five and maximum ten entrepreneurs) will be assisted to visit five industrially developed states in the country to explore market for their products in a financial year

- i) 50% air fare subject to a maximum of Rs.5000/- whichever is less will be paid to one representative of the participating unit.
- ii) 75% air fare subject to a maximum of Rs.5000/- whichever is less will be paid to women entrepreneur and SC / ST of the participating unit.
- iii) The entire cost of food, stay and local transport is to be borne by them.
- iv) Government officials accompanying the participants will be paid economy class air fare or 2 A/c train fare if no air link is available and the eligible allowances towards stay, food and local travelling expenses.

5. He has stated that a Steering Committee shall be constituted under the Chairmanship of the Principal Secretary, MSME Department for providing an institutional framework for the successful implementation of the scheme with defined specific functions and powers. The Steering Committee will have the following members.

- Industries Commissioner / Director of Industries and Commerce - Member
- Managing Director, TIIC - Member
- President, TANSTIA - Member
- Managing Director, SIDCO -Member- Convenor



6. Participation in the Exhibition / business delegations will be decided keeping in the suggestions of the District MSME Associations, TANSTIA the field officials of the MSME Department. Events should include focus areas and core strength sectors of Tamil Nadu. Annual Calender of events will be finalised well in advance and will be uploaded on the SIDCO / Government Website to make the participation more transparent. The modalities / or further detailing of the scheme / participation guidelines / criteria should be finalised with the approval of SIDCO Board. The same may be modified by the Board from time to time as per the needs of international trends. List of the participants / eligible beneficiaries will be finalised by the Steering Committee Chaired by Principal Secretary, MSME.

7. The special export promotion and marketing support scheme will be implemented at an outlay of Rs.1000.00 lakhs to enhance the competitiveness of MSME units in domestic and international market.

8. Government after internal examinations have proposed to implement the following schemes and to earmark five crore to Global Investors Meet-II (GIM-II) .

The proposed schemes are as follows:-

**Component: I (Five visits to International Exhibitions only walk through the Exhibition and attend seminars @ 15 lac each= Rs. 75 lacs)**

i) Cost of Air fare for the visit of five delegations consisting of 10 MSME units to visit international exhibitions held in foreign countries to keep abreast of the latest Developments.	Rs.40,00,000/-
Entry Fee / Seminar Fee	Rs.20,00,000/-
ii)Cost of Air fare / stay payable to two accompanying officials	Rs10,00,000/-
iii)Special Allowance payable to the officials for three days @ US \$150 per day or eligible allowance whichever is less for each trip (totally five trips)	Rs. 3, 50,000/-
iv) Miscellaneous	Rs.1,50,000/-
<b>Total for Event-I</b>	<b>Rs.75,00,000</b>

**Component: II (Participation in Five International Exhibitions and Buyer- Seller Meet = Rs.255 lacs)**

i) Cost of Air fare for the visit of five delegations consisting of 10 MSME units to participate in international exhibitions to show case their products	Rs.25,00,000/-
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ii) Cost of Air fare and allowances payable to one / two accompanying officials	Rs.10,00,000/-
iii) Special Allowance payable to the officials for three days @ US \$150 per day or eligible allowance whichever is less for each trip (totally five trips)	Rs. 3, 50,000/-
iv) Stall charges for 10 stalls @ Rs, 20,00,000/- per exhibition for 5 exhibitions	Rs. 200,00,000/-
v) Miscellaneous	Rs.1,50,000/-
<b>Buyer – Seller Meet:</b> Expenditure incurring towards Venue charges, Decoration expenditure, Hall charges, refreshment, Promotional Expenses etc.,	Rs.15,00,000/-
<b>Total for Event-II</b>	<b>Rs.2,55,00,000</b>

**Component: III (Exports Excellence Awards) = Rs. 40 lacs**

Reputed Exporters will be given Award based on their export earning in the Financial Year and other intention for the Award - First Award of 5 Lakhs - Second Award of 3 Lakhs - Third Award of 2 Lakhs	
Sub Total 10.00	
Total for three priority sectors Textile, Automobiles, Light Engineering Sector. (10x3)	30.00
First, Second, Third awards for Other General categories (5,3,2 lacs)	10.00
<b>Total</b>	<b>40.00</b>

**Component: IV. Seminar and Workshops**

**Rs.60.00 Lacs**

Seminars and interactive workshop focussed on the export promotion and marketing support.	60.00
<b>Total</b>	<b>60.00</b>

**Component: V. Administrative charges for SIDCO**

**Rs.20.00 Lacs**

Administrative charges for meeting out the administrative expenditure incurring towards administering the Export Promotion and Marketing Support Scheme by SIDCO.	20.00
<b>Total</b>	<b>20.00</b>



Component: VI. E-commerce online portal for MSMEs Rs.50.00  
Lacs

Online exporting of products or services by an excellent Exporters through the internet for promoting their exports and getting marketing support across the nationally / globally.	50.00
<b>Total</b>	<b>50.00</b>

Total Budget Estimate for all Six Components Rs.500 Lakhs .This amount may be released to SIDCO in four quarterly instalments.

### Abstract of the Budget

Details	Rs. in lakhs
Visit to International Exhibitions (walk through Exhibitions)	75.00
Participation in International Exhibition with Stalls	255.00
Export Excellence Awards	40.00
Seminars and Workshop	60.00
Administrative Charges for SIDCO	20.00
Cost of development of E-commerce online portal for MSMEs	50.00
GIM Related Activities	500.00
<b>Grand Total</b>	<b>1000.00</b>

The benefits expected out of the scheme to MSMEs are

- To identify potential to export their products to foreign countries.
- To identify new customers in foreign countries.
- To show case their products and their capabilities.
- For communication of new ideas and technologies.
- Exchange of information and establishment of new contacts.
- Exposure to latest technology.
- Help in identifying partners and investors.
- Enhancement of brand recognitions.

9. For the Export Excellence Awards, the Exports registered in Tamil Nadu and manufacturing in the concerned sector only will be considered for the relevant exports category. They have to apply for the Awards only online to SIDCO. A committee of senior officials from Industries Commissioner, SIDCO and EDI will evaluate and shortlist the applicants for final approval by the Steering Committee. Weightage will be given to the exports as follows:-

S. No.	Parameters for Evaluating Exporters	Maximum Marks
(1)	(2)	(3)
1.	Exports value for the financial year	50



	i) Upto Rs.1 Crore - 20 Marks	
	ii) Above Rs.1 Crore & upto Rs.5 Crore - 30 Marks	
	iii) Above Rs.5 Crore & upto Rs.10 Crore - 40 Marks	
	iv) Above Rs.10 Crore - 50 Marks	
2.	Exports Growth rate of export value of 2 years	20
	i) Last average growth rate upto 10% - 5 Marks	
	ii) Average growth rate up to 10% & upto 20% - 10 Marks	
	iii) Average growth rate up to 20% & upto 30% - 15 Marks	
	iv) Average growth rate above 30% - 20 Marks	
3.	Percentage of Export to Annual Turnover for the year	20
	i) Up to 15% - 10 Marks	
	ii) Above 15% & upto 30% - 15 Marks	
	iii) Above 30% - 20 Marks	
4.	Discovery of New Market and New Product	10
	<b>Total</b>	<b>100</b>

10. The Managing Director, SIDCO has therefore requested the Government to approve the above scheme and sanction a sum of Rs.10 crore to implement the special export promotion and marketing support scheme to enhance the competitiveness of MSME units in domestic and international markets.

11. The Government after careful examination of the proposal of Tamil Nadu Small Industries Development Corporation Limited decided to accord administrative sanction to implement various components of the scheme as detailed at para-8 above at an expenditure of Rs.500 lakh ( Rupees Five hundred lakh only ) and Global Investors Meet, 2018 related activities at an expenditure of Rs. 500.00 lakh ( Rupees Five hundred lakh only )

12. Government also accord financial sanction for a sum of Rs.1,25,00,000/- ( Rupees One crore and twenty five lakh only) as first instalment to the SIDCO for the scheme components mentioned at para.8 above .

13. The expenditure sanctioned in para.12 above shall be debited on the following Head of account:-

2851.00. Village and Small Industries -102. Small Scale Industries - State's Expenditure - MU. Special Export Market Support Scheme - 11- Subsidies - 09 - Others (DPC. 2851-00 -102- MU- 1197 )



14. The Industries Commissioner and Director of Industries and Commerce is authorised to draw and disburse the amount sanctioned at para.12 to the Managing Director, Tamil Nadu Small Industries Development Corporation Limited. The Managing Director, Tamil Nadu Small Industries Development Corporation Limited will send utilization certificate through Additional Chief Secretary / Industries Commissioner and Director of Industries and Commerce to the Government at appropriate time without fail.

15. This order issues with the concurrence of the Finance Department vide its U.O. No. 38152 / JS(KM) /2017, dated 20.07.2017

(BY ORDER OF THE GOVERNOR)

**MANGAT RAM SHARMA**  
**PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Additional Chief Secretary / Industries Commissioner and Director of Industries and Commerce,

Thiru Vi. Ka. Industrial Estate, Guindy, Chennai-32.

The Managing Director,

Tamil Nadu Small Industries Development Corporation Limited,

Thiru Vi. Ka. Industrial Estate, Guindy, Chennai-32.

The Additional Chief Secretary to Government,

Finance Department, Chennai-9.

**Copy to:-**

Office of the Hon'ble Chief Minister, Chennai-9.

The Special Personal Assistant to

Hon'ble Minister for Rural Industries, Chennai-9.

The Special Personal Assistant to

Hon'ble Minister for Fisheries, Finance & Personnel and Administrative Reforms, Chennai-9.

The Private Secretary to Chief Secretary to Government, Chennai-9.

The Private Secretary to Additional Chief Secretary to Government, Finance Department, Chennai-9.

The Personal Assistant to Principal Secretary to Government, Micro, Small and Medium Enterprises Department, Chennai-9.

The Private Secretary to Additional Secretary to Government, Micro, Small and Medium Enterprises Department, Chennai-9.

The Finance (Industries) Department, Chennai-9.

The Accountant General (E&RSA), Chennai-18.(By Name).

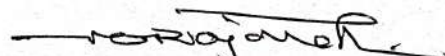
The Pay and Accounts Officer, Chennai-8.

The Chief Accounts Officer,

Directorate of Industries and Commerce, Chennai-32.

Micro, Small and Medium Enterprises (B / OP) Department, Chennai-9.  
Sf/Sc.

/FORWARDED BY ORDER/

  
SECTION OFFICER  
08/07/2017