

BDMAI/DGFT/2026

22<sup>nd</sup> April 2026

Shri Lav Agarwal  
Additional Secretary & Director General  
Director General of Foreign Trade  
New Delhi

Dear Sir,

**Sub: Interest Subvention Scheme for Pre and Post-Shipment Export Credit under EPM**  
**Ref: Trade Notice No. Trade Notice No. 20/2025-26 Dated: 02nd January 2026**

Greetings from Bulk Drug Manufacturers of India!

We refer to the above Trade Notice wherein the Interest Equalization (Subvention) Scheme for Pre- and Post-Shipment Export Credit has been made effective from 2nd January 2026. We sincerely appreciate the efforts of the Government of India, particularly the Directorate General of Foreign Trade, in promoting exports by MSME exporters.

As many of our member units have approached us stating that they are unable to avail the benefit under the Scheme since their product HS codes are not included in the list annexed to the said Trade Notice, we would like to submit the following for your kind consideration:

The Scheme has been extended to MSME exporters with the objective of mitigating the high cost of export credit and addressing the working capital constraints faced by this sector. Further, a cap of ₹50 lakhs per annum has been prescribed on the maximum benefit that can be availed. In such a scenario, restricting the benefit to select HS codes alone is resulting in avoidable difficulties for genuine exporters, including claim rejections on account of HSN mismatch or non-inclusion of product codes.

Since the quantum of incentive under the Scheme is modest and intended primarily as credit support rather than as a direct export incentive, we humbly submit that extending the benefit across all HS codes for eligible MSME exporters would ensure equitable and non-discriminatory access to export finance. Such an approach would also simplify administration, remove ambiguities in claims processing, and encourage MSME exporters—including those sectors that are already demonstrating positive export growth—to further enhance India's export performance and global competitiveness.

In addition, considering the prevailing unrest in West Asia, which is significantly impacting the industry through escalation in raw material prices and disruptions in supply chains, we request that at the very least, all HS codes under Chapter 29 (at the 6-digit level) may kindly be included under the Scheme. This would provide much-needed support to the bulk drug sector, particularly MSMEs, in managing their financial stress during these challenging times.

We request that the matter may kindly be examined at the earliest.

Thanking you,

Yours sincerely,

  
M Roja Rani  
Executive Director

