



Government of
Madhya Pradesh



MP INDUSTRIAL DEVELOPMENT
CORPORATION LTD.



INVEST
MADHYA PRADESH
— INFINITE POSSIBILITIES —

MADHYA PRADESH

EXPORT PROMOTION POLICY



Department of Industrial Policy and Investment
Promotion, Government of Madhya Pradesh

Foreword



Government of
Madhya Pradesh



Madhya Pradesh, the heart of India, is embarking on transformative initiatives aimed at driving industrial growth, attracting global investments, and generating extensive employment opportunities. Recognizing that true economic development can only be achieved through inclusivity, the state is committed to fostering sustainable growth that benefits all segments of society. With a focus on holistic development, State is ensuring equitable growth across all regions, bridging disparities and empowering every community. State is prioritizing employment of women and actively encouraging their participation across various sectors. By strengthening women's role in the workforce, Madhya Pradesh is fortifying economic progress of the State and its people.

The Madhya Pradesh Export Promotion Policy 2025 aims to strengthen global trade and enhance exports from the State. Being landlocked, the State has turned logistical challenges into opportunities by leveraging multi-modal connectivity, developing industrial corridors, and establishing inland container depots (ICDs), fostering seamless integration with global markets. The policy aims to increase investor returns by lowering logistics costs, and promoting green manufacturing practices-ultimately boosting the state's share of exports.

Guided by the visionary leadership of Hon'ble Prime Minister Shri Narendra Modi, the State is playing a pivotal role in the realization of Viksit Bharat. The vision is clear: to position Madhya Pradesh as a global investment destination, ensuring prosperity for all. I extend invitation to all the investors, global corporations and entrepreneurs to be part of this remarkable growth story and contribute to the vision of a self-reliant and Viksit Madhya Pradesh.

A blue ink signature of Mohan Yadav.

Mohan Yadav
Chief Minister
Madhya Pradesh

Foreword



Government of
Madhya Pradesh



India, the fastest growing large economy in the world, has embarked upon a journey to become Atmanirbhar and Viksit Bharat. Madhya Pradesh, one of the fastest growing States, has become the preferred destination for investment. The State offers “infinite possibilities” powered by abundant resources, state of the art infrastructure, an integrated holistic approach and forward-thinking leadership. These coupled with central location, excellent industrial labour relations, all assimilating culture position Madhya Pradesh as a key driver of comprehensive economic growth.

The State has formulated 18 new policies after thorough collaborative consultation with the stakeholders. While these policies provide financial incentives at par with the best provided by any other State, yet the focus is to provide seamless investment climate, exemplary Ease of Doing Business and reduction of compliance burden. State has already put in place mechanisms to streamline approvals, with faceless interface and time-bound clearances. Madhya Pradesh initiated the concept of the Public Service Delivery Guarantee Act and is committed to ensure that all approvals are notified under this Act. Providing plug and play infrastructure for industries is another important corner stone of the policies.

The Madhya Pradesh Export Promotion Policy, 2025 envisions to make the state an important player in global trade. The policy aims to enhance logistics infrastructure, ease of trade and offers targeted incentives to support export. Incentives framework include curated financial support for export infrastructure development, freight and documentation costs, designed to enhance facilitation and boost the India's foreign exchange earnings.

Hallmark of the Madhya Pradesh has been consistent, stable but yet nimble policy framework coupled with pro-active and transparent governance for sustained growth. Opportunity like never before beckons all prospective investors to come and create lasting partnership for their own prosperity and growth of Madhya Pradesh. We welcome you to come and join the growth story of Viksit Madhya Pradesh.

A handwritten signature in black ink, likely belonging to Anurag Jain.

(Anurag Jain)
Chief Secretary
Madhya Pradesh

Foreword



Government of
Madhya Pradesh



The Madhya Pradesh Export Promotion Policy 2025 has been formulated through rigorous analysis, benchmarking against competitive States and adopting international best practices with an investor focused approach aligned with industry needs. The policy development process began in 2024, during which the Department of Industrial Policy and Investment Promotion organized Regional Industrial Conclaves across Madhya Pradesh and conducted investor interaction sessions at national and international levels. Extensive consultations with industrialists helped identify key challenges, which this policy seeks to address.

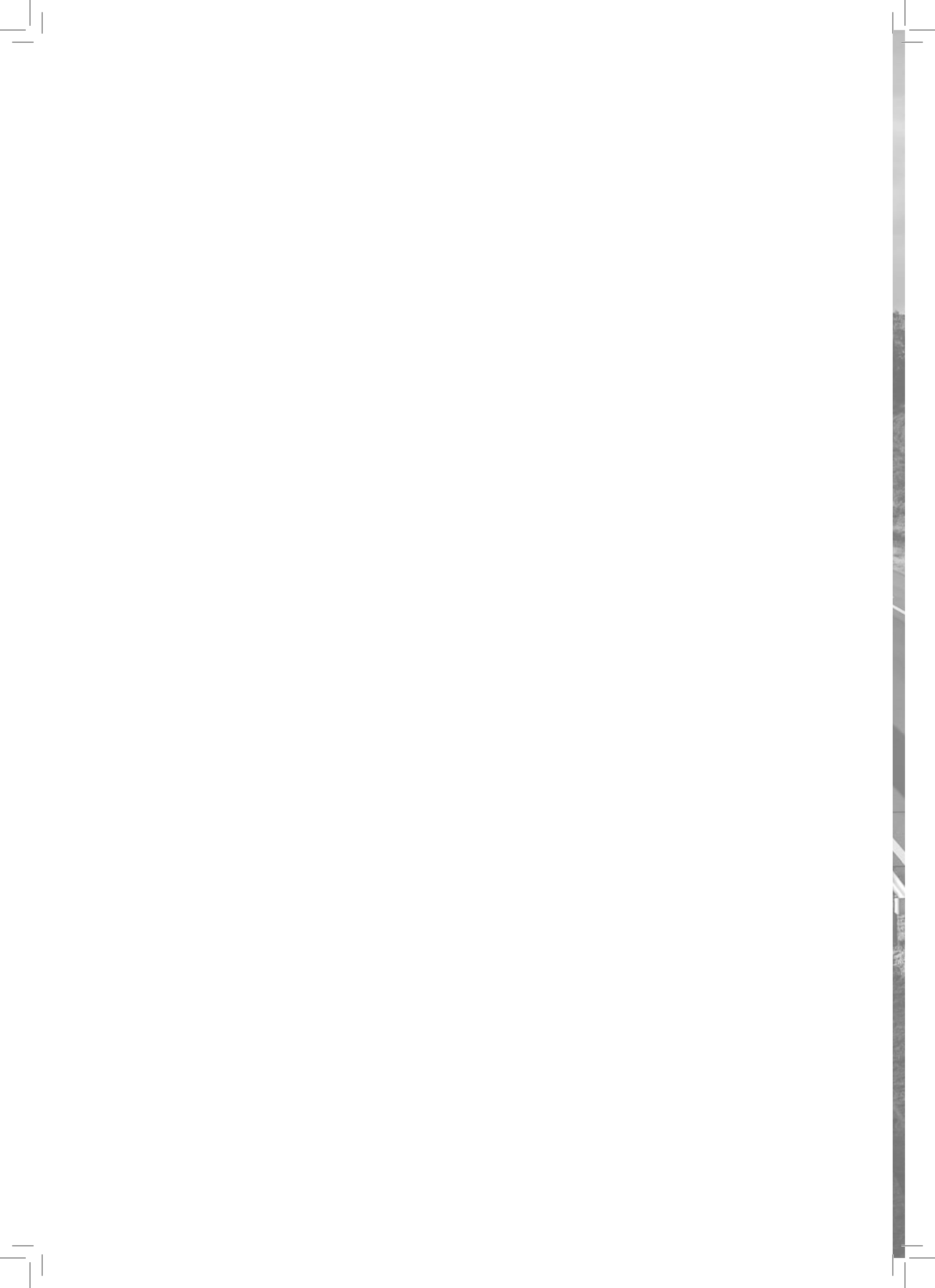
The Export Promotion Policy 2025 is designed to resolve bottlenecks, promote exports, facilitate Green Documentation, and develop Dedicated Export Parks to drive sector-specific industrial growth. Additionally, improvements in export-related infrastructure and enhanced transparency measures have been prioritized to create a seamless trade environment. By fostering sector-specific industrial ecosystems, strengthening logistics infrastructure and promoting export-oriented investments, Madhya Pradesh is positioning itself as a high-growth, innovation-driven industrial hub. The measures outlined in this policy aim to enhance the global competitiveness of enterprises while fostering a diversified and resilient export economy.

In alignment with India's Vision 2047, Madhya Pradesh is committed to leveraging its industrial strengths, driving technological advancements and enhancing its global trade footprint. The State's focus on sustainable industrial growth, skill development and export-led economic expansion will play a pivotal role in achieving long-term economic prosperity. The Madhya Pradesh Industrial Development Corporation (MPIDC) and the Department of Industrial Policy and Investment Promotion (DIPIP) remain committed to fostering a facilitative business environment through seamless export infrastructure, financial assistance and policy support. With a progressive and transparent governance approach, businesses are encouraged to establish, expand and scale their operations in Madhya Pradesh, reinforcing the State's position as a premier hub for industrial excellence and global investment.

A handwritten signature in black ink, appearing to be 'Raghwendra'.

(Raghwendra Kumar Singh)

Principal Secretary
Department of Industrial Policy
& Investment Promotion



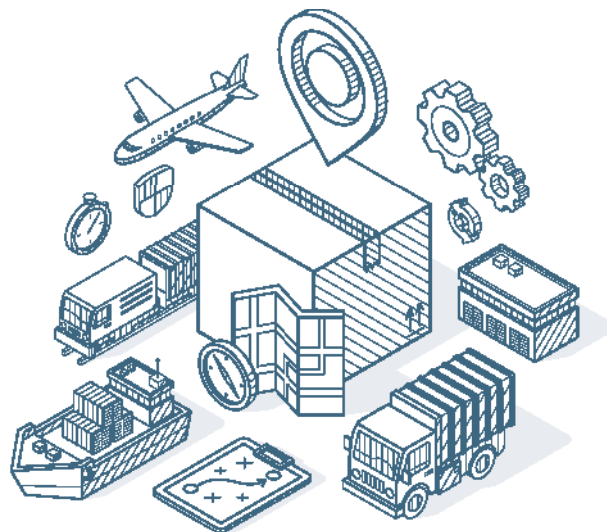


Abbreviations

EU ETS	European Union Emission Trading System
EV	Electric Vehicle
ISO	International Organization for Standardization
REACH	Registration, Evaluation, Authorisation, and Restriction of Chemicals
EU	European Union
CSDDD	Corporate Sustainability Due Diligence Directive
CBAM	Carbon Border Adjustment Mechanism
SECR	Streamlined Energy and Carbon Reporting
CFC	Common Facility Center
AFTE	Assistance for First Time Exporters
ICD	Inland Container Depots
IPP 2025	Industrial Promotion Policy 2025
FSSAI	Food Safety and Standards Authority of India
AGMARK	Agricultural Marketing Certification
BEE	Bureau of Energy Efficiency
BIPA	Basic Investment Promotion Assistance
BIS	Bureau of Indian Standards
BRAP	Business Reform Action Plan
CETP	Common Effluent Treatment Plant
EFCI	Eligible Fixed Capital Investment
EM	Export Multiple
EODB	Ease of Doing Business
FDI	Foreign Direct Investment
GoI	Government of India
GoMP	Government of Madhya Pradesh
IPR	Intellectual Property Rights
R&D	Research and Development
STP	Sewage Treatment Plant
ZLD	Zero Liquid Discharge
MPERC	Madhya Pradesh Export Promotion Council
ONDC	Open Network for Digital Commerce
DEP	Developers of Dedicated Export Parks
RFID	Radio Frequency Identification
ULIP	Unified Logistics Interface Platform
CAGR	Compound Annual Growth Rate
PM MITRA	Prime Minister Mega Integrated Textile Region & Apparel
MSME	Micro, Small and Medium Enterprises

Introduction

Madhya Pradesh, a powerhouse of resources and a hub of opportunities, has consistently strengthened its role in India's export growth. The State's exports grew at a CAGR of 15.2% between 2019 and 2022 with ₹65,255 crores worth of merchandise exported in FY 2023–24. Madhya Pradesh is one largest exporter of wheat in the country, and a leader in organic cotton production and its exports. The State has established itself as a key supplier of pharmaceuticals, textiles, and auto components to global markets positioning Madhya Pradesh as a reliable and competitive player. As India sets its ambition on becoming a \$2 trillion export driven economy by 2030, Madhya Pradesh envisions scaling its exports by leveraging its strengths in key industries. The State's focus on innovation, value addition, and diversification of its export portfolio will drive immense growth. Initiatives in developing sector based industrial infrastructure such as PM MITRA textile park, Power and Renewable energy equipment manufacturing zone, Footwear and accessories park, and Multimodal Logistics Park are one of the many steps towards attracting the value chain industries at one place. In continuation to the efforts in creating a hassle-free business environment for industrialists, the State has taken strides in ease of doing business reforms like Jan Vishwas Bill 2024. All of these are a testament to the State's commitment in proliferating the large and MSME export houses in Madhya Pradesh. The Export Policy 2025 reflects Madhya Pradesh's commitment to fostering a thriving export ecosystem that integrates traditional strengths with emerging opportunities.



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Vision

The vision of Export Policy 2025 is to position Madhya Pradesh as a globally recognized leader in exports, contributing significantly to India's economic vision.



Goal

The goal of the State is to export goods worth ₹ 1 lakh Crore by 2029.



Objectives



Increase the share of large export houses in the State



Promotion of export diversification



Enhance export volume and export proficiency



Support export-oriented units in the State to increase the value of their exports



Market "Made in Madhya Pradesh" globally



Enhance employment opportunities in the State

1. Madhya Pradesh's Export Overview

Exports from Madhya Pradesh grew with a CAGR of 15.2% between 2019 and 2022 with the value of merchandise exports from Madhya Pradesh at ₹ 65,254 crore (in FY 2023-24)

Madhya Pradesh exports to more than 200 countries

In the first quarter of the fiscal year 2024, the state's exports increased by 5% year-over-year to ₹16,155 crore.



2. Connecting Infrastructure in Madhya Pradesh: Driving Export Growth

Centrally located, the State has become a strategic hub for industrial and freight corridors, significantly boosting its export capabilities. These corridors not only enhance the State's connectivity to domestic and global markets but also position it as a key player in India's export-driven economy.

Madhya Pradesh is well connected through these strategic projects of national importance, making it the only state in India with such extensive coverage. These corridors include:

- i. Delhi Nagpur Industrial Corridor (DNIC): North- South Corridor
- ii. Amritsar-Kolkata Industrial Corridor (AKIC): East- West Corridor
- iii. Influence zone of Delhi Mumbai Industrial Corridor
- iv. Delhi Mumbai Expressway
- v. Agra Mumbai National Highway
- vi. North South Dedicated Freight Corridor (upcoming)

The 6 Inland Container Depots across the State namely at Tihi, Mandideep, Dhannad, Malanpur, PowerKheda, and Kheda have been developed with a capacity to serve the future volume of growing businesses in many years to come.

These corridors serve as the backbone for industrial development, connecting Madhya Pradesh's manufacturing hubs with major ports and markets across the country. The catchment area of these projects through key industrial zones in Madhya Pradesh is aiding to increase the export share of the State.

3. Key Export Sectors of Madhya Pradesh

Madhya Pradesh has diversified its economic activities, leading to significant contributions in multiple export sectors. This diversification has not only boosted the state's economy but also positioned it as a key player in the global market. The key export sectors include-

Pharmaceutical



Soya By Products



Cereals



Cotton



Machinery



Readymade Garments



IT Services



Aluminium & Plastics



Auto Parts



Organic



4. Dovetailing the Strategy with the Government of India

Over the past decade, there has been a notable rise in the global trade of electronics, electrical equipment, mechanical appliances, chemicals, automobiles, and processed foods. This growth can be attributed to technological advancements and disruptions and consumption patterns.

Over the past three decades, India has significantly diversified its export basket in both markets and commodities. The shift indicates a transformation from labour-intensive commodities in the 1990s to those with a high degree of capital dependence in production.

Much of this is attributed to GoI initiatives in foreign trade including Export Promotion Capital Goods Scheme, Market Access Initiative, Interest Equalisation Scheme, Merchandise Exports from India Scheme, Towns of Export Excellence, Districts as Export Hubs amongst many others.

India has broadened its trade horizons, now targeting emerging and developing nations, particularly in Sub-Saharan Africa, the Middle East, and Asia. The value of exports to these emerging markets and developing economies (EMDEs) has surged from USD 5.9 billion in 1990 to USD 215.8 billion in 2023. India has established 20 trade agreements with various partners, including recent deals with the UAE, Australia, and the European Free Trade Association (EFTA), which comprises Iceland, Liechtenstein, Norway, and Switzerland.

These trade agreements of India, open export doors for Madhya Pradesh and provides opportunities for exporters to paradigm shift to a much larger share of the emerging global opportunities through these arrangements. This necessitates the realignments of strategies of Madhya Pradesh to capture this upcoming wave of opportunities.

5. Identified Catalyzers for Export Growth

- i. Increase value addition and volume-led growth in export
- ii. Catalyse infrastructure investments across key export gateways and promote multimodal transport infrastructure
- iii. Ensure inclusive industrial development with a higher focus on MSMEs internationalisation
- iv. Promote knowledge sharing and capacity building of exporter
- v. Enable sustainability in trade and export supply chains by identifying the right set of trading partners and focusing on environment-friendly initiative
- vi. Adopting advancing manufacturing techniques and export process efficiency
- vii. Reduction of time-consuming certification processes and delays in claiming benefits associated with export incentives.
- viii. Remove repeated filing of similar documentation with different authorities.
- ix. Remove repeated filing of similar documentation with different authorities.
- x. Provide access to finance
- xi. Provide access to markets and information
- xii. Updating with the knowledge about accessing global markets and identifying verifiable sources about buyers and market sizes
- xiii. Adopting Global climate mitigation initiatives to address the non-tariff barriers.

6. Administrative Framework

6.1 Madhya Pradesh Export Promotion Council (MPEPC)

The Madhya Pradesh Export Promotion Council will work for the overall development of all manufacturing, service and business sectors right from entrepreneurship development, export infrastructure development and export ecosystem development in the State.

- i. The MPTPC shall create and amend Policies
- ii. Create yearly and 5 year export action plan
- iii. Prepare estimated budget for export
- iv. Provide Policy relates suggestion to Government of India
- v. Grievance redressal of exporters
- vi. Improvements for promoting national and international trade
- vii. Coordinate with all the stakeholders in the value chain and strengthen connections within and outside India for better business growth



6.2 Governance Structure

The Council will comprise of a Governing Body, Executive Committee, Panel Committees which would comprise of Registered Members. The functionaries of the Governing Body will work towards strategizing and executing the agenda of the council.

Governing Body

Chairman

Honourable Chief Minister,
Government of Madhya Pradesh

Member Secretary

Principal Secretary,
Department of Industrial Policy and Investment Promotion,
Government of Madhya Pradesh

Members of Governing Body

As mentioned in the Order No.: F 19-20/2022/1/4
dated 03/03/2022

Elected Conveners

of sectoral panel committees

Executive Committee

Chairman

Chief Secretary,
Government of Madhya Pradesh

Members of Executive Committee

As mentioned in the Order No.: F19-20/2022/1/4
dated 24/03/2022

Member Secretary

State Export Commissioner
(Managing Director, M.P. Industrial Development Corporation Limited),
Government of Madhya Pradesh

Sectoral Panel Committees

The Panel Committees will be the forum for member exporters to provide expert views on specific sectors to the Governing Body for consideration and prioritization. The Panel Committee will comprise of a Convener (Representative of the committee in Governing Board) and sectoral industrial representatives in the respective committees.

7. Export Promotion Assistance

The Export promotion assistance will be provided to large industries engaged in the manufacturing and exporting more than its 25% to global destinations.

7.1 AFTE (Assistance for First Time Exporters)

One time assistance shall be provided for the first time exporters in the State for the following expenses - Reimbursement of costs of Registration-cum Membership Certification (RCMC) maximum upto ₹10 lakhs. Reimbursement of the costs of export insurance premiums upto ₹25 lakhs.

7.2 Export Multiple assistance

Assistance over and above the Basic Investment Promotion Assistance as per the Industrial Promotion Policy 2025. This assistance is intended to encourage the first-time exporting units and increase the value of exports of the existing units.

7.3 Export Freight assistance

Exporting units shall be eligible for reimbursement of 50% of the transportation costs incurred for moving finished goods from the factory premises to the seaport or to the air cargo facility. This subsidy is available for a period of 5 years upto ₹40 Lakhs per unit, per year, maximum upto ₹ 2 Crore as per the Industrial Promotion Policy 2025. This assistance is being introduced to offset the land locked barriers for exporting goods from the State.

7.4 Export Infrastructure assistance

A one-time subsidy of 25% of the export infrastructure investment upto to ₹ 1 Crore . The assistance shall be provided for setting up export-oriented infrastructure facilities, such as testing laboratories, Research and Development Centres, export incubation centres.

7.5 Export Turnover assistance

Incentive of 10 % of annual incremental Free Onboard Value (FOB) value, upto to ₹2 crores across the period of 5 years for units exporting from the State. This incentive is applicable from the second year of export.

7.6 Export Marketing assistance

Reimbursement of 75% with a ceiling of ₹ 5 lakh per annum for 5 years, to units for participating in national and international trade fairs, exhibitions and buyer-seller meets to promote their products and services limited to 1 time per unit per year.

7.7 Export Green Documentation assistance

Assistance upto 50 % of expenses subject to a maximum of ₹ 20 lakh per unit per annum for a period of 5 years, to cover the costs associated with export documentation, including certifications for use of green energy, energy efficiency, quality testing, Gold and Platinum certification by Green Building Council (IGBC) and compliance with international trade regulations like EU ETS, CBAM, Net Zero Emissions, Carbon offsetting etc.

7.8 Export financial assistance

Subsidy on bank interest rate up to 5% on pre and post shipment rupee export credit. This is subject to a maximum of ₹ 50 lakhs overall for 5 years.

7.9 Export growth accelerator assistance

Additional incentive of 5% of annual incremental Free Onboard Value (FOB) value, upto to ₹30 lakhs per annum, will be provided for a period of 5 years for units exporting from the State for the following items.

- i. Footwear and accessories
- ii. Gems and Jewellery
- iii. Toys and accessories
- iv. Optical, photographic, medical and surgical instruments
- v. Plastic and rubber
- vi. Furniture
- vii. EV Transport equipment
- viii. ACC cell components
- ix. Electronics
- x. Drones
- xi. White Goods
- xii. Capital Goods

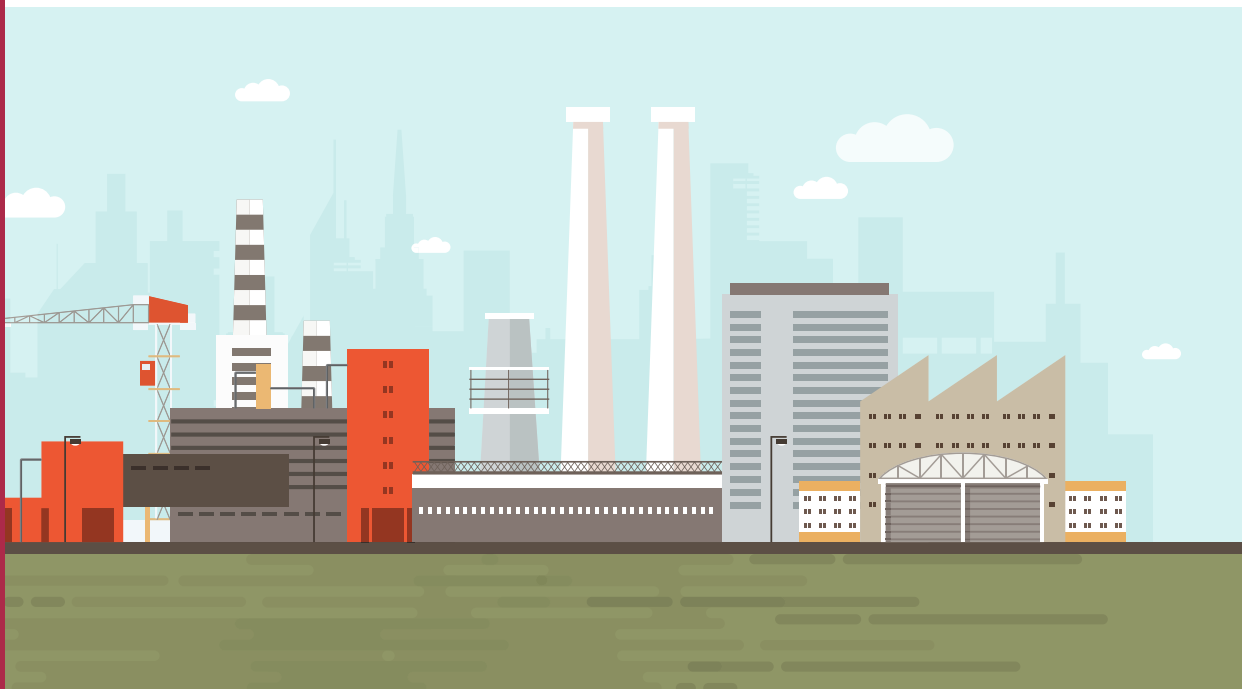
8. Incentives for Developers of Dedicated Export Parks (DEP)

Dedicated Export Parks shall be spread across minimum 25 acres with more than 70% of its occupants are export oriented units.

Such units should have a track record of exporting more than 25% of their production in the previous 3 years. Such DEP shall have at least 20% of the reserved allotted plots for MSMEs.

The DEP shall have

- i. Common shared infrastructure
- ii. Utilities and logistics facilities
- iii. Transportation infrastructure
- iv. Warehouses
- v. Common processing
- vi. Sorting
- vii. Packaging
- viii. Labelling facilities
- ix. Port and terminal facilities
- x. Custom clearances amongst others



The State shall also promote the development of DEPs on a PPP mode, whilst providing land to the private concessionaires at competitive prices in addition to the following incentives for the development of such parks:

Sr.	Category	Subsidy
1.	Reimbursement of Stamp Duty and Registration Charges	100% reimbursement of Stamp duty and Registration charges
2.	Fixed Capital Assistance for Infrastructure Development	50% of fixed capital investment or ₹20 Lakh per acre on fixed infrastructure (excluding land and infrastructure for dwelling units) whichever is less. Maximum upto ₹40 Crores *The sanctioning of the subsidy shall be in 2 equal instalments of 50% each on a milestone basis.
3.	Assistance for Common Processing Facilities	25% capital assistance for common processing, testing, quality and R&D facilities but not limited to sorting, packaging, labelling, marking up to ₹25 Crores.
4.	Green Industrialization Assistance	Capital subsidy of 50% up to a maximum of ₹5Crores for setting up of waste management systems (such as Effluent Treatment Plant, Sewage Treatment Plant, pollution control devices, etc.). Capital subsidy of 50% up to a maximum of ₹10 Crores for setting up of Zero Liquid Discharge.

9. Enhancing the ICD Port Led Exports

11-15% of time Indian ports is accounted for the customs regulatory processes. The turnaround time also differs across different ports from ~102 hours to ~320 hours. Similarly, for the inland container depots (ICD) bound cargo, turnaround time of containers from ICD gate-in to ICD gate out is ~128 hours, with ~25% of total time accounted for customs-related processes. In order to reduce the turnaround time at seaports, the processes could be transferred to ICDs including-

- i. Allocation of a dedicated laboratory for the Food Safety and Standards Authority of India (FSSAI).
- ii. Facilitate custom based clearances at the ICD itself.
- iii. Development of dedicated green channels.
- iv. Interventions required with the ULIP.
- v. Deployment of container scanners.
- vi. Adoption of e-Delivery orders through the PCS1 system.
- vii. Introduction of an RFID-based gate automation system.
- viii. Discontinuation of manual forms to streamline processes.
- ix. Transformation of parking areas into processing zones, including the addition of cabins and internet connectivity for customs officials to begin clearance.
- x. Procedures for factory-stuffed containers. Establishment of a Centralized Parking Plaza equipped with modern amenities, to be used as a Document Processing Area for improved workflow.
- xi. Development of a Gate-in Vehicle Booking System within the Port Community.

10. Other benefits by Government of Madhya Pradesh

In addition to the fiscal benefits the GoMP shall also undertake the following-

- i. Create dedicated export incubation hubs designed to fully support startups and new exporters. These hubs can provide affordable office spaces, mentorship, access to market analysis, networking opportunities, and guidance through export processes.
- ii. The State shall launch a Green Card Scheme which would entitle the holder to minimum inspection and speedy clearance of all proposals by all the Department of the State Government.
- iii. Madhya Pradesh shall align the States Gati Shakti portal with the National Master Plan by updating the State's Master Plans outlining their infrastructure. Along with that the mapping of projects, their progress shall be monitored and evaluated on a regular basis.
- iv. Develop essential infrastructure like design studios and quality control facilities to assist exporters in product design, helping them advance up the value chain.
- v. Launch a targeted program to assist MSMEs in achieving environmental compliance and obtaining ZED (Zero Defect Zero Effect) certification.
- vi. The State shall keep updating the exporters and importers database regularly which would be made available on the State portal.
- vii. Develop priority sector focused special economic zones for exports.
- viii. Develop 20+ Gati Shakti Cargo terminals in collaboration with central government.
- ix. Develop additional MMLP's, air cargo hubs & airports to enhance storage & transport infrastructure.
- x. Organize district-level training programs on Open Network for Digital Commerce (ONDC).
- xi. Develop trade centres, pack houses and warehouses.
- xii. Launch a State-wide mentorship program in collaboration with Industry leaders & sectoral experts.
- xiii. Create export related business support facilities across the State.
- xiv. Partner with institutions to provide on-the-job training for students from the state.
- xv. Partner with institutions to provide on-the-job training for students from the state.

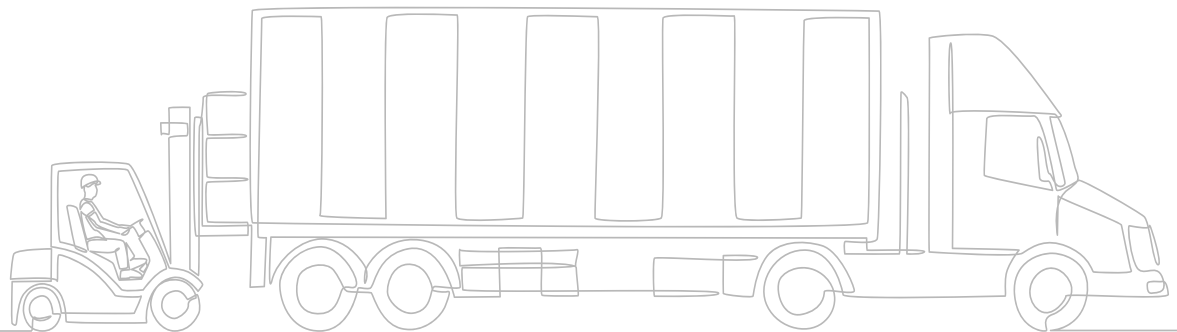
11. Terms & Conditions

- i. MPIDC will be the nodal agency for implementation of this Policy.
- ii. The financial assistance under this policy shall be provided over and above the Industrial Promotion Policy 2025.
- iii. Other terms and conditions shall be applicable as per the Industrial Promotion Policy 2025.

12. Amendment, Relaxation/ Revocation Powers

State Government may, at any time:

- i. Modify or cancel any provision in this policy.
- ii. Provide relaxation in implementation of provisions in this policy.
- iii. Issue directions, instructions and guidelines for interpreting the implied provisions to facilitate execution of the provisions.



Contact Us

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