

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 334
ANSWERED ON 02/12/2025

IMPACT OF TARIFFS ON UTTAR PRADESH

334. MS IQRA CHOUDHARY:
SHRI PUSHPENDRA SAROJ:
SHRI DEVESH SHAKYA:

Will the Minister of **COMMERCE AND INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) the total value of India's exports from Uttar Pradesh to the United States, classified by major product categories such as textiles, carpets, leather, handicrafts and engineering goods;
- (b) the total value of India's carpet exports globally and specifically to the United States, State-wise particularly for Uttar Pradesh;
- (c) The total number of artisans, weavers and support workers currently employed in the carpet industry State and district-wise particularly for Uttar Pradesh;
- (d) whether the Government has assessed the impact of the US-imposed tariffs on export volumes and employment loss and if so, the details thereof; and
- (e) the measures taken by the Government to prevent market share loss to competing countries such as Pakistan, Turkey and Bangladesh?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री जितिन प्रसाद)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a) to (b) Export to USA from Uttar Pradesh (Values in USD Million)

Commodity Description	FY 2024-25
Engineering Goods	212.97
Textiles	850.59
Leather	159.28
Carpet(Excl. Silk) Handmade	401.87
Handcrfs(Excl.Handmade Crpts)	151.23

Source: DGCIS

India's Export of Carpet (USD Million) in FY 2024-25

Commodity Description	World	USA
India's Carpet Export (Exc. Silk)	1,496.53	901.55

Source: DGCIS

(c) In the Uttar Pradesh state, in the carpet industry-dominant districts number of artisans, weavers, and support workers who are currently directly and indirectly employed are:

District	Workforce
Sant Ravidas Nagar (Bhadohi)	4 Lakh
Sonbhadra	5200
Sitapur	30500
Varanasi	2500
Mirzapur	40000

Source: Government of Uttar Pradesh

(d) and (e) The Department of Commerce is actively engaged with all stakeholders—including State Governments, Exporters, Export Promotion Councils (EPCs), Industry associations of the affected sectors such as Textiles and Apparel, Gems and Jewellery, Leather, Marine, Chemicals and engineering goods—to assess the evolving impact of the U.S. tariff measures. Continuous consultations are being held to gather feedback, evaluate sector-specific stress and identify both immediate and structural interventions required to safeguard India's trade interests.

However, given the dynamic nature of the situation, the relatively short period of less than three months since the imposition of these tariffs and the multiple factors affecting economic outcomes, it is difficult to exactly isolate the impact of the U.S. tariffs, if any, on the variables mentioned.

In terms of merchandise exports to the US, India's export performance in the April-October 2025 period compared to the same period last year is as given below:

	April-October 2025 (US\$ Billion)	April-October 2024 (US\$ Billion)
Export	52.12	47.32

Source: DGCIS

The Government continues to work to mitigate the impact of the US tariff measures on Indian exports through a comprehensive multi-pronged strategy encompassing intensive engagement with the US Government for a mutually beneficial India-US Bilateral Trade Agreement, immediate relief through Trade relief measures of RBI, Credit Guarantee Scheme for Exporters, enhancement of domestic demand through next generation GST reforms, Export Promotion measures such as the new Export Promotion Mission which provide support and assistance to our exporters, pursuing FTAs with new countries and better utilization of existing FTA. It is expected that these measures will also enhance diversification and resilience in India's trade relationships.

Details of some of the aforementioned measures are as follows:

1. Export Promotion Mission

The Mission will provide a comprehensive, flexible, and digitally driven framework for export promotion, with a total outlay of Rs.25,060 crore for FY 2025–26 to FY 2030–31. EPM marks a strategic shift from multiple fragmented schemes to a single, outcome-based, and adaptive mechanism that can respond swiftly to global trade challenges and evolving exporter needs.

The Mission will operate through two integrated sub-schemes:

(i) NIRYAT PROTSAHAN – focuses on improving access to affordable trade finance for MSMEs through a range of instruments such as interest subvention, export factoring, collateral guarantees, credit cards for e-commerce exporters, and credit enhancement support for diversification into new markets.

(ii) NIRYAT DISHA – focuses on non-financial enablers that enhance market readiness and competitiveness, including export quality and compliance support, assistance for international branding, packaging, and participation in trade fairs, export warehousing and logistics, inland transport reimbursements, and trade intelligence and capacity-building initiatives.

The Mission is designed to directly address structural challenges that constrain Indian exports, including:

- limited and expensive trade finance access,
- high cost of compliance with international export standards,
- inadequate export branding and fragmented market access, and
- logistical disadvantages for exporters in interior and low-export-intensity regions.

Under EPM, priority support will be extended to sectors impacted by recent global tariff escalations, such as textiles, leather, gems & jewellery, engineering goods, and marine products. The interventions will help sustain export orders, protect jobs, and support diversification into new geographies.

2. Credit Guarantee Scheme for Exporters has also been approved to provide 100% credit guarantee coverage by National Credit Guarantee Trustee Company Limited (NCGTC) to Member Lending Institutions (MLIs) for extending additional collateral free credit facilities up to Rs.20,000 crore to eligible exporters, including MSMEs. The Scheme is expected to enhance the global competitiveness of Indian exporters and support diversification into new and emerging markets. Enabling collateral-free credit access will strengthen liquidity, ensure smooth business operations, and reinforce India's progress towards achieving the USD 1 trillion export target.

3. Trade Relief Measures:-The Reserve Bank of India (RBI) has also initiated trade relief measures for eligible affected exporters including provision for debt repayment moratorium and extension of tenor for export credit.

4. Leveraging Free Trade Agreements: - The Government aims for promotion of Export Diversification and has signed 15 Free Trade Agreements (FTAs) and 6 Preferential Trade

Agreements (PTAs) with its trading partners. Government is working with all stakeholders to enable our exporters to better utilize the benefits of India's FTAs with major markets such as Japan, Korea, UAE etc. and effectively utilize the opportunities that have been created with the recent concluded FTAs such as with the EFTA countries and the UK. The Government is also engaged in negotiations for early conclusion of mutually beneficial FTAs with the EU, Peru, Chile, New Zealand, Oman etc.

The Government remains engaged with all stakeholders—including exporters, Export Promotion Councils (EPCs), industry associations, and state governments—to assess the evolving impact of the U.S. tariff measures.
