

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 2197
TO BE ANSWERED ON: 12.02.2026

IMPACT OF TARIFF ON CARPET INDUSTRY

2197. SHRI PUSHPENDRA SAROJ:
 ADV PRIYA SAROJ:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the export contribution of the carpet industry, during the last five years, State and district-wise particularly for Uttar Pradesh;
- (b) the assessed export revenue loss faced by the Indian carpet industry due to recent tariff actions in major overseas markets State- wise and district-wise for Uttar Pradesh;
- (c) the number of artisans and workers employed in the carpet sector and the number facing livelihood disruption due to order cancellations, production slowdown or liquidity stress, State wise and district-wise for Uttar Pradesh;
- (d) whether carpet-sector Micro, Small and Medium Enterprises (MSMEs) in Uttar Pradesh have received support under ECLGS or any successor credit scheme, with beneficiary and amount details and if so, the details thereof; and
- (e) the measures taken to protect employment and accelerate export diversification to prevent loss of traditional carpet-weaving livelihoods in Uttar Pradesh?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a) to (c): The State-wise details of export contribution of the carpet industry during the last five years are at Annexure-I. The district-wise details of export of carpets from Uttar Pradesh are at Annexure-II.

(d): Emergency Credit Line Guarantee Scheme (ECLGS) was launched in May, 2020 as part of Aatmanirbhar Bharat Abhiyaan to support eligible Micro, Small and Medium Enterprises (MSMEs) and business enterprises to ease their liquidity position. The Scheme provided for collateral free loans to eligible borrowers with 100% guarantee in respect of the eligible amount as per the Scheme guidelines. The Scheme was valid till 31.3.2023. A total of 10,561 MSME loans amounting to Rs.783.63 crore was guaranteed in Textile sector including Carpet industry under ECLGS in Uttar Pradesh.

(e): The carpet industry has been consistently supported through a combination of financial and non-financial export promotion measures, including inter alia: Branding and Marketing support, Market Access Initiative Scheme for participation in overseas fairs, Interest equalization Support and Duty Drawback Schemes.

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:

I. Export Promotion Mission (EPM)

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:

- (a) 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.
- (b) 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.

II. 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.

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

IV. Leveraging Free Trade Agreements: The Government aims for promotion of Export Diversification and has signed Free Trade Agreements (FTAs) and Preferential Trade Agreements (PTAs) with several key 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, UK, Oman and New Zealand. The Government has also recently concluded FTA negotiations with the European Union.

Furthermore, the Government has undertaken the following initiatives to provide new impetus to MSME resilience and growth:

- a. Credit Guarantee Scheme (CGS) for Micro and Small Enterprises (MSEs) through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) to provide credit guarantee of upto Rs. 10 crore on loans extended to MSEs without collateral security or third-party guarantees.
- b. Self-Reliant India (SRI) Fund to infuse Rs. 50,000 crore as equity funding in those MSMEs which have the potential and viability to grow and become large units. Under this scheme total size of fund of Rs. 50,000 crore has a provision of Rs.10,000 crore from Government of India and Rs.40,000 crore through Private Equity / Venture Capital funds. This initiative is aimed at providing growth capital to the deserving and eligible units of MSME sector. The Budget 2026-27 has also announced a support of Rs 2000 crore to top up the Self-Reliant India Fund set up in 2021 to continue support to micro enterprises and maintain their access to risk capital.
- c. Mutual Credit Guarantee Scheme for MSMEs (MCGS-MSME), a government-backed initiative designed to help Micro, Small, and Medium Enterprises (MSMEs) access loans to grow their businesses. This scheme offers a credit guarantee, making it easier for MSMEs to obtain loans, especially for purchasing essential equipment and machinery. The Scheme provides credit guarantee cover to lenders (Scheduled Commercial Banks, All India Financial Institutions, NBFCs) for their term loans up to Rs.100 crore to MSMEs for their projects involving purchase of equipment/machinery.
- d. Subsequent to Union Budget Announcement 2024-25, twenty-six (26) branches have been opened by SIDBI all over India during FY 2024-25 to expand its reach to serve MSME clusters and provide direct credit to them. 37 branches are proposed to be opened in FY 2025-26 out of which 34 branches have since been opened.
- e. GST rationalisation undertaken by the government directly strengthen MSMEs fortifying local supply chains in critical sectors like automobiles, textiles, food processing, logistics, and handicrafts. Lower GST rates have made raw materials and services more affordable, motivating small and medium enterprises and start-ups to scale up operations, invest in innovation, and compete both domestically and globally.

Annexure referred in part (a) to (c) of answer to Lok Sabha Unstarred Question no. 2197 on Impact of Tariff on Carpet Industry due for reply on 12/02/2026.

State wise details of Export of Carpet since 2021-22					
STATE	Value in USD				
	2021-22	2022-23	2023-24	2024-25	2025-26 (Till Dec,25)
Andhra Pradesh	9126	20712	1400	262	87
Assam	22771	18695	4936	6409	184
Bihar	38688	25017	14927	58560	28846
Chandigarh	4124	0	3122	0	0
Chhattisgarh	0	0	773	248	426
Dadra and Nagra Haveli, Daman and Diu	17055634	1990409	1845633	2311512	1306769
Delhi	16348620	15830972	13902736	14788913	7532511
Goa	25663	4898	1628	7556	0
Gujarat	82943430	33626096	25112538	20798373	11565990
Haryana	723705365	470930416	501121125	563654254	417002112
Himachal Pradesh	26303	11814	0	5	2281
Jammu and Kashmir	12510953	6132794	4277781	3809573	3084853
Jharkhand	501	693	2132	866	27892
Karnataka	1480049	516740	649865	512739	322681
Kerala	98373679	72798515	96364617	115005225	88144723
Madhya Pradesh	1722653	1530654	620105	828740	364203
Maharashtra	25498825	17634048	20170948	20313832	14943994
Puducherry	11604	6074	21374	777	1444
Punjab	2426448	1190517	1039131	1054039	978905
Rajasthan	94734696	91146599	89668798	86631642	52212259
Tamil Nadu	16227562	12544345	19172511	25060133	15761338
Telangana	4293624	2722630	107445	85784	77856
Uttar Pradesh	688827583	618968013	616529699	677829949	488252402
Uttarakhand	1700130	1947372	3181831	6583756	2486296
West Bengal	947454	724209	1333962	1764304	346024
Source: - DGCIS					

Annexure-II

Annexure referred in part (a) to (c) of answer to Lok Sabha Unstarred Question no. 2197 on Impact of Tariff on Carpet Industry due for reply on 12/02/2026.

District-wise details of Export of Carpet from the state Uttar Pradesh since 2021-22					
Value in USD					
DISTRICT	2021-22	2022-23	2023-24	2024-25	2025-26 (Till Dec,25)
Agra	33431746	39883023	44100117	38391935	23067917
Aligarh	500789	114224	3013	2601	8449
Ambedkar Nagar	324	0	2863	0	0
Amroha	1487707	597893	445705	603046	373910
Auraiya	18455	19580	2953	17299	8238
Ayodhya	13462	0	0	0	0
Azamgarh	0	0	74168	0	0
Baghpat	33892	149701	305253	500883	140356
Bahraich	8301	2644	13054	31737	16249
Banda	0	0	0	4076	0
Barabanki	0	1178	0	0	7021
Bareilly	73623	15	5666	0	4512
Bhadohi	460463646	419871894	423425741	481060867	342485916
Bijnor	818	0	0	0	0
Budaun	7213	3865	0	0	0
Bulandshahr	3866	0	34238	6077	2165
Chandauli	0	2773	2648	183	0
Chitrakoot	0	7850	0	0	0
Etawah	0	1202	0	0	0
Farrukhabad	0	0	983	0	0
Fatehpur	4024	0	9941	567	0
Firozabad	3236	84041	304451	222070	110660
Gautam Buddha Nagar	11319265	7810964	11002849	9979150	9470061
Ghaziabad	3932811	2525826	2715727	2826247	1611710
Ghazipur	0	0	594	0	0
Gorakhpur	5944	2190	5065	899	18
Hamirpur	547	0	714	75715	38330
Hapur	70	1460	42929	6600	0
Hardoi	0	69850	0	0	0
Hathras	4717711	3040525	1892384	2117137	1499885
Jalaun	0	0	0	3819	0
Jaunpur	3464518	3352435	2089613	2251590	2223048
Kanpur Dehat	567958	893718	499986	384582	358143

Kanpur Nagar	482430	789545	2776412	3564612	982462
Kheri	256	0	2959	66	93
Lucknow	6392	21766	31663	9034	225817
Maharajganj	378192	374237	208509	22636	30304
Mahoba	0	34496	0	0	0
Mainpuri	0	0	0	0	4675
Mathura	599	91	266	0	274
Meerut	14848445	11317599	7495646	10316036	10932799
Mirzapur	101513314	83380405	76859614	85413588	64656622
Moradabad	1321220	1057021	1213429	1268936	670157
Muzaffarnagar	0	0	0	76866	175881
Prayagraj	554090	461135	286767	43104	186739
Rae Bareli	2846	0	0	0	0
Rampur	5956	12327	552	6048	3361
Saharanpur	1177	563146	1393221	616139	319
Sambhal	21877	6945	0	7096	2509
Sant Kabeer Nagar	4206	5646	72258	17245	53706
Siddharth Nagar	120	897	5604	2769	1882
Sitapur	14736212	12164785	10812561	10961145	7921540
Unnao	885991	916137	286374	187354	265427
Varanasi	34004334	29424984	28103209	26830195	20711247
Total	688827583	618968013	616529699	677829949	488252402
Source:- DGCIS					