

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 5080
ANSWERED ON 24/03/2026

IMPORT AND EXPORT OF AGRICULTURAL PRODUCTS

5080. SHRI VE VAITHILINGAM:
SHRI DHARMENDRA YADAV:

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

- (a) whether any changes have been made in tariffs related to the import and export of agricultural products under the recent India USA tariff/trade agreements, if so, the details of the agricultural products on which import duties have been reduced or removed;
- (b) whether the Government has assessed the potential impact of this agreement on Indian farmers' income, MSP arrangements and the domestic agricultural market, if so, the details thereof;
- (c) whether the Government has considered the shifting export environment in which increased US-tariffs created new pressures on Indian agricultural commodities while triggering opportunities in diversified global markets;
- (d) the steps taken by the Government for encouraging farmers, producer groups and agribusiness firms to supply a wider range of products, including horticulture, processed foods and niche crops to emerging destinations outside the United States;
- (e) the measures proposed by the Government to enhance market-linked farmer support, improve international compliance capability, upgrade storage and cold-chain systems and ensure that India's agricultural-export sector remains stable despite policy fluctuations abroad; and
- (f) whether it is a fact that cheaper agricultural imports is likely to harm small and marginal farmers in the country and if so, the details thereof and the protective measures (safeguard measures) proposed or implemented by the Government to safeguard the interests of farmers?

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 (c) & (f) (i) India and the United States (U.S.) announced a trade deal on February 02, 2026. A Joint Statement for the same was released on February 07 2026. On February 07, 2026, 25% additional ad valorem tariffs imposed by the U.S. on certain India's exports citing India's imports of Russian oil were removed. Subject to the conclusion of the Interim Agreement, the U.S. will provide preferential market access to certain Indian goods. India has fully protected its agricultural sectors through

a carefully designed Exclusion Category, ensuring no tariff concessions are provided in the Agreement on key products such as Rice, Wheat, Poultry, Dairy, Soyameal, Maize, Millets, Groundnuts, Honey, Tobacco etc. Overall the terms of concessions in the Agreement are expected to benefit Indian farmers and open new export opportunities.

(ii) The agreement will provide opportunities to Indian farmers and fishermen to enhance their exports in their areas of strength, such as marine products, basmati rice, spices, tea and coffee, oilseeds, and certain fruits. It will also provide preferential tariff access to a big market for agro forestry-linked products such as vegetable saps, waxes, nuts, plating material, coconut, poppy seeds, vegetables and certain roots, along with processed fruit products such as juices, pulp and jams. The tariff concessions will create a conducive environment for Indian farmers to sell to a huge American annual import market of more than Rs.14 lakh crore. Further information regarding the interim trade deal is also available at the following web link: <https://www.commerce.gov.in/wp-content/uploads/2026/03/FTAs-achievement.pdf>

(iii) India has offered limited and carefully calibrated tariff concessions on select agricultural products while safeguarding domestic sensitivities through quotas, phased concession and partial duty reductions. On products such as Apples, Walnuts and Soyabean Oil where India imports in significant quantities due to domestic demand exceeding production, concession is limited and quota-based so that imports help in diversification of sourcing. The quotas are well within current global imports so that supply gaps are met without adversely affecting Indian farmers. Similarly, in the backdrop of growing demand, animal feed related products such as DDGS and Non-GM Red Sorghum, have been considered in limited quantities and with partial tariff concessions so that there is no adverse impact on domestic feed crops. Likewise, Cotton has been offered in a calibrated quota-based concession considering India's existing trade pattern of both importing and exporting cotton and cotton products to meet quality requirements.

(iv) Pursuant to U.S. Supreme Court judgement dated February 20, 2026 invalidating reciprocal tariffs, the reciprocal tariffs are no longer in force. The U.S. Government has issued Executive Orders imposing 10% tariffs on certain products from all countries. The Government is studying all the developments thereafter for their implications and remains engaged with the U.S. Government.

(d) & (e) The Government continues to work with stakeholders (Exporters and Industry) 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 (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:

- i. NIRYAT PROTSAHAN – affordable trade finance focuses on improving access to 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. Financial Assistance Scheme (FAS) - The Department of Commerce through Agricultural and Processed food products Export Development Authority (APEDA) provides financial assistance to its member exporters of APEDA from across the country, for export promotion of its Scheduled products under Agriculture and Processed Foods Export Promotion Scheme of APEDA for the 15th Finance Commission Cycle (2021-22 to 2025-26) in following three broad areas:

- i. Scheme for infrastructure Development- Financial assistance for setting up of packhouse facilities with packing / grading lines, pre-cooling unit with cold storage and refrigerated transportation etc., cable system for handling of crops like banana, pre-shipment treatment facilities such as irradiation, vapor heat treatment, hot water dip treatment and common infrastructure facilities, reefer vans and missing gap in the existing infrastructure of individual exporters.
- ii. Scheme for Quality Development –Financial assistance for purchase of laboratory testing equipment, installation of quality management system, handheld devices for capturing farm level coordinates for traceability and testing of water, soil, residues and pesticides etc.
- iii. Scheme for Market Promotion- The assistance covers participation of exporters in international trade fairs, organizing buyer seller meets and developing packaging standards for new products and upgrading the existing packaging standards.

The details of financial assistance guidelines are available at APEDA Website www.apeda.gov.in under the “Scheme” tab.

3. 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.

4. 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 tenure for export credit.

5. Leveraging Free Trade Agreements: The Government aims for promotion of Export Diversification and has signed sixteen (16) Free Trade Agreements (FTAs) and six (06) 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.

6. The Scheme related to Cold Storage - Government is implementing various schemes under which financial assistance is available for setting up of post-harvest processing and cold chain infrastructure for horticultural produce including perishable horticulture produce throughout the country. Under the Mission for Integrated Development of Horticulture (MIDH), financial assistance is provided for setting up of post-harvest management infrastructure including pack houses, cold storages, refrigerated transport, ripening chambers, Integrated cold-chain infrastructure, Secondary Processing units in the country. In addition, Ministry of Food Processing Industries (MoFPI) also implements schemes such as Pradhan Mantri Kisan SAMPADA Yojana (PMKSY), which includes components for integrated cold chain and value addition infrastructure.
