

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 555
ANSWERED ON 03/02/2026

SECTOR-WISE EXPORT DECLINES DUE TO U.S. TARIFFS

555. SHRI ESWARASAMY K:

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

- (a) whether the Government has collected data on the sector and State-wise decline in exports to the United States following the imposition of increased tariffs from April 2025 onwards, if so, the details thereof;
- (b) the details of export contraction in major sectors such as smartphones, pharmaceuticals, gems and jewellery, solar panels, metals and auto parts, along with the estimated loss in production output;
- (c) whether the Government has conducted any analysis on the comparative tariff structure that has allowed competing countries such as Vietnam, Mexico and China to capture India's lost market share, if so, the details thereof; and
- (d) the measures proposed to support affected export clusters particularly MSME-dominated regions like Surat, Mumbai and Coimbatore to prevent further erosion of India's export base?

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) & (b) The Government of India continues to monitor and promote India's exports. Details of India's export performance in the year 2025 for the period April to December compared to the same period in 2024 is as given below:

India's Export (Values in USD Billion)

India's Exports to	Apr-Dec-2024	April-Dec-2025
U S A	60.03	65.88
World	322.41	330.24

Source:DGCIS

Sectoral performance of India's global merchandise exports may be seen at the following link:

https://tradestat.commerce.gov.in/ftspcc/export_commodity_wise

(c) The tariffs in the U.S. are cumulative in nature and comprise the applicable Most-Favoured-Nation (MFN)/ Preferential tariff as well as additional duties imposed under U.S. domestic laws, including measures taken citing national security, national emergency etc and any applicable anti-dumping and countervailing duties. Consequently, the total tariff varies depending on both the product and the country of origin. Information on these tariffs and duties may be accessed through relevant official U.S. government websites, including:
https://www.usitc.gov/harmonized_tariff_information
<https://www.federalregister.gov>
<https://www.cbp.gov/trade>

(d) 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 (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 – 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.
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 Free Trade Agreements (FTAs) and Preferential Trade Agreements (PTAs) with 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, Australia etc. and effectively utilize the opportunities that have been created with the recently concluded FTAs such as with the EFTA countries, UK, Oman and New Zealand. The Government has also recently concluded negotiations on an FTA with the European Union.
