

Exporters get ₹45,060 cr boost amid US tariff blow

Cabinet approves export promotion mission, credit guarantee schemes

SHREYA NANDI

New Delhi,
12 November

The Union Cabinet chaired by Prime Minister Narendra Modi on Wednesday approved schemes worth ₹45,060 crore to support exporters, particularly micro, small and medium enterprises (MSMEs), grappling with challenges due to the 50 per cent tariff imposed by the United States (US) on several Indian products.

The package includes the much-awaited Export Promotion Mission (EPM), with an outlay of ₹25,060 crore, and ₹20,000 crore towards the Credit Guarantee Scheme for Exporters (CGSE).

Export-oriented industries directly and indirectly employ

Push for outbound trade

Export Promotion Mission

Outlay:
₹25,060 crore

Duration:
6 years
(FY26 to FY31)

Priority sectors:

Textile, leather, gems and jewellery, engineering goods, and marine products

Credit Guarantee Scheme for Exporters

Outlay:
₹20,000 crore

Duration:
Until March
31, 2026

Key features:
Additional working capital; collateral-free credit support; 100% government guarantee



PAGE 4

Extend NPA window to 180 days: MSMEs

Micro, small and medium enterprises (MSMEs) on Wednesday urged the Centre to revise the rule for classifying loans as NPAs by extending the recognition period from 90 days to 180 days.



over 45 million people, and MSMEs contribute nearly 45 per cent of India's total exports. The announcement came a week after the PM held meetings with the heads of at least half a dozen export promotion councils across sectors most affected by the steep, double-digit tariffs by the US.

On Tuesday, US President Donald Trump and Indian officials had indicated that both sides were pretty close to reaching a fair trade deal, suggesting that another round of negotiations might not be required.

The CGSE will include collateral-free support to exporters as additional working capital of

up to 20 per cent of their sanctioned export limits. The programme would provide credit guarantee on loans of up to ₹50 crore. The Department of Financial Services (DFS) will implement the scheme through National Credit Guarantee Trustee Company Limited (NCGTC).

Turn to Page 6 ►

Exporters get ₹45K crore boost

A management committee chaired by the DFS secretary will oversee its progress and implementation.

“The scheme is expected to enhance the global competitiveness of Indian exporters and support diversification into new and emerging markets. By enabling collateral-free credit access under CGSE, it will strengthen liquidity, ensure smooth business operations, and reinforce India’s progress towards achieving the \$1 trillion export target. This will further reinforce India’s journey towards Aatmanirbhar Bharat,” the government said in a statement.

The EPM, announced in the FY26 Union Budget with an initial allocation of ₹2,250 crore for the current financial year, will now continue until FY31 with an expanded outlay. It aims to strengthen India’s export competitiveness, particularly for first-time exporters and labour-intensive sectors, such as textiles, leather, gems and jewellery, engineering goods, and marine products.

EPM will bring together key support programmes – the Interest Equalisation Scheme

and Market Access Initiative. The scheme will be implemented through two sub-schemes – Niryat Protsahan, with an allocation of ₹10,401 crore, to provide trade finance support; and Niryat Disha, with ₹14,659 crore, to promote international market access. Niryat Protsahan will focus on improving access to affordable trade finance for MSMEs through interest subvention, export factoring, collateral guarantees, credit cards for e-commerce exporters, and credit enhancement for market diversification.

“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... 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,” the statement said.