



KAMARAJ IAS ACADEMY
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India's Agricultural Exports Remain Strong Despite US Tariff Pressures

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India's agricultural exports recorded steady growth despite tariff measures imposed by the administration of former US President Donald Trump. According to trade data for 2025–26, India's farm exports increased by 2.3% year-on-year, reflecting the resilience of the country's agriculture sector amid global trade uncertainties.

Growth in India's Farm Exports:

India's agricultural exports were valued at around 53.1 billion US dollars during 2025–26, compared to 52 billion US dollars in the previous financial year. The export performance remained close to the all-time high achieved in 2022–23.

The continued growth highlights:

Strong global demand for Indian agricultural commodities

Diversification of export destinations

Competitiveness of Indian farm products in international markets

Government support for agricultural trade and exports

Major Agricultural Products Driving Export Growth:

The rise in agricultural exports was mainly supported by:

Non-basmati rice

Buffalo meat

Marine products

Coffee

Fruits and vegetables

These products witnessed strong international demand despite tariff-related disruptions in global trade.

Impact of Trump-Era Tariffs on India:

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The United States imposed higher tariffs on Indian goods during trade tensions under Donald Trump's administration. Certain Indian exports faced tariffs as high as 50% at one stage due to broader trade and geopolitical issues.

However, India managed to limit the impact on agricultural exports because:

Farm exports were diversified across multiple global markets

India maintained competitiveness through lower production costs

The depreciation of the Indian Rupee improved export competitiveness

Demand for essential food products remained stable globally

India's Export Diversification Strategy:

India has increasingly focused on expanding trade relations with:

ASEAN countries

Middle Eastern nations

European markets

African countries

This diversification reduced excessive dependence on the US market and helped maintain export growth.

Government Measures Supporting Exports:

The Indian government introduced several policy measures to strengthen exports, including:

Remission of Duties and Taxes on Export Products (RoDTEP) scheme

Export incentives for agriculture and MSMEs

Infrastructure support for logistics and ports

Promotion of Free Trade Agreements (FTAs)

Importance for the Indian Economy:

Agricultural exports play an important role in:

Increasing farmers' income

Earning foreign exchange

Strengthening rural employment

Supporting food processing industries

Enhancing India's global trade position

The resilience shown by agricultural exports demonstrates the growing strength of India's agri-economy in global markets.

About RoDTEP Scheme:

Remission of Duties and Taxes on Export Products (RoDTEP)

The RoDTEP scheme reimburses exporters for taxes and duties not refunded under other schemes, making Indian products more competitive globally.