

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION No. 3228
ANSWERED ON 28/03/2025

IMPACT OF INDIA-US TRADE DISPUTE ON DOMESTIC INDUSTRIES

3228. DR. ASHOK KUMAR MITTAL:

Will the Minister of Commerce and Industry be pleased to state:

- (a) the details of what India has conceded in the recent resolution of the India-US trade dispute and the long-term impact of these concessions may have on domestic industries;
- (b) the steps taken by Government to ensure that the interests of local farmers and manufacturers are protected while engaging in trade agreements;
- (c) the steps that Government will take to ensure that future trade negotiations are more balanced and do not lead to a disproportionate impact on Indian sectors; and
- (d) the mechanisms implemented to closely monitor the impact of this resolution on the broader trade relations with US and other countries?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a) India and US resolved six trade disputes filed between 2012 and 2019 in WTO and reached a Mutually Agreed Solution (MAS) in 2023. These 6 Disputes include: DS 436, United States- Countervailing Measures on Certain Hot Rolled Carbon Steel Flat Products from India; DS 456, India- Certain Measures Relating to Solar Cells and Solar Modules; DS 510, United States- Certain Measures Relating to Renewable Energy Sector; DS 541, India- Export Related Measures; DS 547, United States- Certain Measures on Steel and Aluminium Products; and DS 585, India- Additional duties on certain products from the United States. As part of the agreement, India rescinded additional duties on eight products, which were imposed by India and in return, the U.S. agreed that it would strive to ensure effective market access opportunities for Indian exporters of steel and aluminum while reviewing Section 232 exclusion requests as consistent with USA law. For the resolution of DS430, the 7th trade dispute, both countries reached MAS in September 2023 and India agreed for reduced Basic Customs Duty (BCD) rates on six products out of which allowed import of one product with conditions.

(b) In order to protect the interests of the domestic industry, including small and medium enterprises and the agriculture sector, FTAs provide for maintaining sensitive, negative or exclusion lists of items on which limited or no tariff concessions are granted. In addition, in case of surge in imports and injury to the domestic industry, a country is allowed to take recourse to

trade remedial measures such as anti-dumping and safeguards on imports within the period as mutually agreed to by the parties under the FTAs.

(c) Any Free Trade Agreement (FTA) is negotiated with the endeavour to deliver a comprehensive, balanced, broad-based and equitable agreement based on the principle of fairness and reciprocity and overall benefit to all the stakeholders. It also ensures a level playing field for Indian exporters vis-a-vis their competitors who may have preferential access in our trading partner countries.

(d) India and the US established a Joint Monitoring Mechanism as part of the MAS dated 22 June 2023, to exchange information between the two countries for effective implementation of the MAS.
