

GOVERNMENT OF INDIA
MINISTRY OF EXTERNAL AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO-563
ANSWERED ON- 24/07/2025

INDIA-US TRADE TENSIONS

563. SMT. PRIYANKA CHATURVEDI

Will the Minister of EXTERNAL AFFAIRS be pleased to state :-

- (a) whether Government has taken note of the recent announcement by the United States administration regarding the reimposition of tariffs on Indian exports, including a proposed 26 percent duty on select sectors;
- (b) whether the issue of these tariffs was formally raised by the Indian delegation during the External Affairs Minister's visit to Washington from 30th June to 2nd July, 2025, for the Quad Ministerial Meeting; and
- (c) if so, the outcome of these discussions and the specific steps being taken to seek exemptions or relief for critical Indian export sectors such as steel, pharmaceuticals, automotive components and agriculture?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS
(SHRI KIRTI VARDHAN SINGH)

(a to c) On 2 April 2025, the U.S. announced the imposition of additional ad valorem reciprocal duties on 185 countries (including the European Union). As per the order, a 10% tariff was imposed on all countries effective 5 April 2025. From 9 April 2025, this was to be revised to country-specific tariffs. The reciprocal tariff applicable to India was fixed at 26%. Subsequently, a 90-day pause, till 9 July 2025, was authorized with substantially lower reciprocal tariff of 10%. On 07 July 2025, the implementation date for the reciprocal tariffs was further extended from 9 July 2025 to 1 August 2025.

On the sidelines of the Quad Foreign Ministers' Meeting held in Washington, D.C. on 1 July 2025, the External Affairs Minister referred to the Bilateral Trade Agreement (BTA) negotiations that are going on between India and the U.S. Both sides acknowledged the importance of maintaining positive momentum in these negotiations and expressed their commitment to an early conclusion of the first tranche of a mutually beneficial, multi-sector BTA.

The trade teams of both countries are presently engaged in active negotiations on the Bilateral Trade Agreement (BTA). Discussions are aimed at adopting an integrated approach to further strengthen and deepen bilateral trade relations, including through enhanced mutual market access, reduction of tariff and non-tariff barriers, and closer integration of supply chains.
