

GOVERNMENT OF INDIA
MINISTRY OF EXTERNAL AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO - 64
ANSWERED ON - 29/01/2026

DIPLOMATIC AND ECONOMIC RELATION BETWEEN INDIA AND USA

64. DR. M. DHANAPAL

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

- (a) whether the Government has examined the implications of evolving trade relations with the United States, including tariff pressures and commercial disputes affecting Indian exports, for India's broader foreign policy and economic diplomacy;
- (b) if so, the details of assessments made by Government of tariff-linked risks and strategic responses formulated to safeguard India's export competitiveness; and
- (c) the diplomatic and economic measures proposed to be taken by Government to strengthen India-US trade ties while protecting national interests?

ANSWER

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

(a) to (c) Yes. The Government has examined the implications of evolving India-U.S. trade relations, including tariffs affecting Indian exports.

The U.S. imposed reciprocal tariffs of 25% on India on 31 July 2025, an additional 25% *ad valorem* duty on select Indian exports on 27 August 2025, and sector-specific tariffs under Section 232 of the U.S. Trade Expansion Act on products such as steel and aluminium, copper, upholstered furniture and kitchen cabinets, softwood, and automobiles. These measures have impacted select Indian exports to the U.S.

Several goods and services, including crude oil and petroleum products, pharmaceuticals, bullion, certain electronic items, precious metals, critical minerals, resins and plastics, agricultural products, and IT services, among others, have not been subject to tariffs. Based on 2024 trade data, an estimated USD 47.2 billion of India's merchandise exports to the U.S., out of a total of about USD 86.4 billion, fall under categories subject to these additional tariffs.

The Government remains in close consultation with Indian exporters and industry to assess their feedback on the implications of the U.S. measures. Efforts are underway to provide targeted support to exporters through initiatives such as the new Export Promotion Mission, the Reserve Bank of India's trade-facilitation provisions and the Credit Guarantee Scheme for Exporters, improving the utilization of existing Free Trade Agreements (FTAs) and advancing negotiations on new trade agreements. This also includes sustained engagement with the U.S. Government for the early conclusion of a fair, balanced, and mutually beneficial multi-sector India-U.S. Bilateral Trade Agreement.

India-U.S. merchandise trade during April-November 2025 reached USD 94.44 billion, registering a growth of 12.16% over the same period last year. India's exports to the U.S. reached USD 59.04 billion (+13%), and U.S. exports to India reached USD 35.4 billion (+11%).
