

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 3832
ANSWERED ON 12/08/2025

INDIA-US TRADE NEGOTIATIONS

3832. SHRI ABHISHEK BANERJEE

Will the Minister of **COMMERCE AND INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) the current status of the India–U.S. bilateral trade negotiations and by when a framework agreement is expected to be concluded;
- (b) whether the Government has assessed the potential impact of the proposed 26% baseline tariff by the U.S. on Indian exporters, particularly in sectors such as textiles, pharmaceuticals and electronics, if so, the details thereof, if not, the reasons therefor;
- (c) the steps taken to secure favourable terms or exemptions for Indian goods in the event of such tariff policies being implemented; and
- (d) whether India has raised concerns over tariff unpredictability or trade barriers with the U.S. Trade Representative during the ongoing talks, if not, the reasons therefor?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री जितिन प्रसाद)

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

(a) India US bilateral Trade Agreement negotiations were launched in March 2025. Five rounds of negotiations have been held, the last being from July 14-18th, 2025 at Washington, USA.

(b) to (d) Reciprocal tariff at the rate of 25% has been imposed on certain goods exported from India to the USA starting from August 07th, 2025. (Source: <https://www.whitehouse.gov/presidential-actions/2025/07/further-modifying-the-reciprocal-tariff-rates/>) It is estimated that around 55% of total value of India's merchandise exports to the US is subjected to this reciprocal tariff. Further, additional *ad valorem* rate of duty of 25% with effect from 27th August, 2025 has been imposed on certain goods exported from India. (Source: <https://www.whitehouse.gov/presidential-actions/2025/08/addressing-threats-to-the-united-states-by-the-government-of-the-russian-federation/>). No additional tariffs have been imposed on Indian exports to the USA in sectors like pharmaceuticals, and electronics as yet.

Combination of different factors such as product differentiation, demand, quality, contractual arrangements would determine the impact of reciprocal tariffs on India's exports including in textiles sector. Government is engaged with all stakeholders including exporters and industry for taking feedback of their assessment of the impact from the reciprocal tariffs imposed by the USA. The Government attaches the utmost importance to protecting and promoting welfare of farmers, workers, entrepreneurs, exporters, MSMEs and all sections of industry.

Government of India is involved in the discussions on the India-USA Bilateral Trade Agreement (BTA) with the USA with the aim to expand trade and investment through tariff stability and long term trade predictability.
