

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 2964
ANSWERED ON 10/03/2026

IMPACT OF INDIA-US TRADE DEAL

2964. SHRI BENNY BEHANAN:

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

- (a) whether the Government has conducted any comprehensive assessment of the likely impact of the proposed India–US trade agreement between India and the United States on Indian agriculture and farmers’ incomes, if so, the details thereof;
- (b) whether the agreement proposes reduction of import duties or expansion of market access for agricultural commodities such as dairy products, pulses, oilseeds, cotton, maize and other farm products, if so, the details thereof;
- (c) the details of safeguards proposed to protect small and marginal farmers from possible adverse effects arising out of increased imports and price volatility;
- (d) whether the Government has estimated the likely impact of the agreement on MSP operations, public procurement and food security mechanisms, if so, the details thereof;
- (e) whether any study has been undertaken to assess the likely impact of the agreement on India’s GDP, particularly the contribution of the agricultural sector, if so, the details thereof; and
- (f) whether the Government place the details with farmers’ organisations, State Governments and other stakeholders in the public domain, if so, the details thereof?

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) to (f) India and the United States announced a trade deal on 2nd February 2026. A Joint Statement for the same was released on February 07 2026.

- The agreement will provide opportunities to Indian farmers and fishermen to enhance their exports in their areas of strength, such as marine products, basmati rice, spices, tea and coffee, oilseeds, and certain fruits. It will also provide preferential tariff access to a big market for agroforestry-linked products such as vegetable saps, waxes, nuts, plating material, coconut, poppy seeds, vegetables and certain roots, along with processed fruit products such as juices,

pulp and jams. The tariff concessions will create a conducive environment for Indian farmers to sell to a huge American annual import market of more than Rs.14 lakh crore.

- India has fully protected its sensitive agricultural sectors through a carefully designed Exclusion Category, ensuring no tariff concessions are provided in the Agreement on key products such as Rice, Wheat, Poultry, Dairy, Soyameal, Maize, Millets, Groundnuts, Honey, Tobacco etc.
- India has offered limited and carefully calibrated tariff concessions on select agricultural products while safeguarding domestic sensitivities through quotas, phased concession and partial duty reductions. On products such as Apples, Walnuts and Soyabean Oil where India imports in significant quantities due to domestic demand exceeding production, concession is limited and quota-based so that imports help in diversification of sourcing. The quotas are well within current global imports so that supply gaps are met without adversely affecting Indian farmers. Similarly, in the backdrop of growing demand, animal feed related products such as DDGS and Non-GM Red Sorghum, have been considered in limited quantities and with partial tariff concessions so that there is no adverse impact on domestic feed crops. Likewise, Cotton has been offered in a calibrated quota-based concession considering India's existing trade pattern of both importing and exporting cotton and cotton products to meet quality requirements.
- Overall the terms of concessions in the Agreement are expected to benefit Indian farmers and open new export opportunities.
