

# India-US trade pact timeline set; first tranche in 4-5 days

**FINAL STRETCH.** Goyal says joint statement due shortly, with legal pact expected by mid-March

Our Bureau  
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India on Thursday established a definitive timeline for its high-stakes Bilateral Trade Agreement (BTA) with the US.

On the sidelines of a GCC event, Commerce Minister Piyush Goyal said the two sides will sign a joint statement on the first tranche of the BTA in the next four-five days, following which the US tariffs on India's exports will be brought down to 18 per cent from the current 50 per cent.

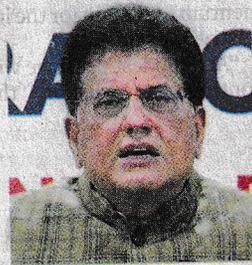
## AWAITING THE ORDER

The reduced tariffs will be operationalised through a US executive order, expected a day or two after the joint statement is signed, the Minister said. The joint statement will be signed virtually.

He added that the formal legal agreement is being drafted and is likely to be signed within a month to a month-and-a-half, pointing to a mid-March timeframe.

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**PIYUSH GOYAL,**  
Commerce Minister



"The first tranche of the BTA is almost ready, and we expect that in the next 4-5 days, we will finalise and sign a joint statement between the US and India. And based on that, the first phase of this partnership will begin," Goyal said.

The Minister said that once the joint statement is signed, India will begin reducing import duties on select American goods, though he underlined that there are no investment commitments embedded in the first tranche. "We hope to do things fast because there are further concessions that we will get after the legal agreement," he said.

Commerce Secretary Rajesh Agrawal clarified that any tariff cuts by India will only follow the conclusion of a legal agreement. "Indian tariff reductions (will happen) only after a legal agreement," Agrawal said. He noted that Indian tariffs are MFN (most favoured nation) levies, while American import duties are imposed through an executive action.

## RISING DEMAND

On the much-discussed \$500 billion purchase element of the broader trade understanding, Goyal said the figure reflects India's rapidly expanding demand base. "Our steel capacity is going

to double from today's 140 million tonnes to about 300 mt in the next few years," he said, adding that India's projected needs for energy, data centre equipment and ICT products justified the scale of estimated procurement from the US.

He said aircraft orders alone, placed and in the pipeline with Boeing, were worth \$70-80 billion, rising to around \$100 billion when engines and spares are included. On data centres, Goyal pointed to large concessions announced in the Union Budget. "Now, imagine if we get \$100-150 billion of investments in data centres, we will obviously need equipment for those data centres," he said.

Agrawal added that India's existing global purchases in categories committed under the deal already exceed \$300 billion annually. "In the next five years, these purchases are going to be \$2 trillion. If we can buy \$500 billion from the US, it will only add to our diversification and resilience in our supply chain," he said.