

# India waiting for White House to take a final call on its trade deal offer

**WHAT EXPERTS SAY.** Trump's allegations on India dumping rice, new tariff threats driven by domestic politics

**Amiti Sen**  
New Delhi

US trade negotiators are likely to ramp up pressure on India for greater market access in goods, including agriculture and dairy, in face-to-face talks starting Wednesday, sources said. The two-day discussions in New Delhi, led by Deputy US Trade Representative Rick Switzer, come as President Donald Trump signals the possibility of more tariffs against India's rice exports.

However, senior Indian officials maintain it is up to the White House to take a final call on the first tranche of the bilateral trade agreement (BTA), that could still be delivered by the year-end, as India cannot cross its red line on sensitive items in agriculture and dairy.

"In October this year, India made its market access offers to the US in a meeting in Washington. This was in expectation of a roll back of the additional US tariffs of 50 per cent imposed on over half of India's exports to that country in August this year. New Delhi, however, did not



**UPPING THE ANTE.** US President Donald Trump said at a roundtable with representatives of the farming and agriculture sector in the White House on Monday that he may consider additional tariffs on countries allegedly dumping rice in the US, including India, Thailand and China. REUTERS

make substantial offers in the sensitive agriculture and dairy items, including GM (genetically modified) products, as that's a red line that cannot be breached. White House has to take a call on the deal," an official tracking the matter told *businessline*.

US chief negotiator for the pact, Assistant US Trade Representative for South and Central Asia Brendan

Lynch, is also part of the delegation visiting India.

With US tariffs of 50 per cent imposed on most labour intensive items, including textiles, leather, gems & jewellery, footwear and seafood hitting exports, India wants Washington to address these as part of the first tranche of the India-US BTA being negotiated. "The trade deal will be relevant for India only if Washington rolls back both

components of the 50 per cent tariffs — the 25 per cent reciprocal tariff as well as the 25 per cent penalty for buying Russian crude. Tariffs on Indian goods have to be brought down to levels lower than that on competing countries such as Vietnam and Bangladesh which have tariffs of 19-20 per cent," the official said.

Adding to India's troubles, US President Donald Trump

said at a roundtable with representatives of the farming and agriculture sector in the White House on Monday that he may consider additional tariffs on countries allegedly dumping rice in the US, including India, Thailand and China.

Some experts, however, are of the view that the threat of new tariffs is driven more by domestic politics than trade logic.

## RICE EXPORTS

"India exported rice worth \$392 million to the US in FY25, just 3 per cent of its global rice exports, and already faces tariffs of about 53 per cent in the US; 86 per cent of these shipments are premium basmati. New duties would scarcely dent Indian exporters with strong markets elsewhere, but would make rice costlier for US households," Ajay Srivastava of Global Trade and Research Initiative said.

In FY25, the US remained India's largest trading partner for the fourth consecutive year, with goods exports at \$86.5 billion and bilateral trade valued at \$131.84 billion.