

# India working on improved tariff-cut offers for the US

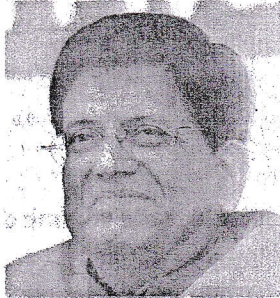
**ROUND TWO.** Commerce Minister Piyush Goyal may visit Washington DC again

**Amiti Sen**  
New Delhi

The Commerce Ministry is working on improved offers for import tariff cuts for the US to be tabled in the next round of consultations with Washington DC, as the initial proposals discussed by Commerce Minister Piyush Goyal last week with his American counterparts were considered inadequate, sources have said.

"There is a possibility that Goyal will visit the US again soon with improved offers based on the feedback he received from his counterparts in Washington DC last week. The US gave a clear message that it wants much more than what India had in mind initially. India needs to make stronger offers before April 2, when US President Donald Trump has threatened countries with reciprocal tariffs," a source tracking the matter told *businessline*.

**WIDE CONSULTATIONS**  
Goyal and his team of officials are in intense consultations with various ministries



Piyush Goyal,  
Commerce Minister

and departments, including agriculture, on the extent of market openings the industry and farm sectors can handle. They are also scheduled to hold discussions with industry bodies on Thursday, the source said.

"While the first round of negotiations on the proposed India-US bilateral trade agreement (BTA) is unlikely to be completed before September, the idea is to try and appease the US by making good initial offers so that reciprocal tariffs are not applied on India on April 2," the source said. A list of demands from Indian industry is also being prepared.

The US wants steep con-

cessions in almost all areas, including agricultural products.

"While India is ready to offer market access in labour intensive sectors such as textiles, leather, footwear, chemicals and also some other products like electronics and automobiles, the US wants wider and deeper concessions," the source said.

## **FOCUS AREAS**

The industry meetings will largely focus on how India can improve on its initial proposal by offering more cuts and covering more products.

India's tariffs on US goods stood at a much higher 15.3 per cent (2022) compared to the US tariffs on Indian products at 3.83 per cent, according to a recent report by the SBI Economic Research Department.

Since India's exports to the US, estimated at \$77.51 billion in FY24, are about \$35 billion higher than its imports from the country at \$42.19 billion, Trump has raised concerns over the trade deficit.

He has been saying that

India's "very high tariffs" were unfair for the US industry and must be brought down.

US Commerce Secretary Howard Lutnick told Indian media late last week that the US expected a "macro, large-scale, broad-based trade agreement," that would also include agriculture.

"It is time to do something big, something grand. Something that connects India and US together. Something broad scale, not product by product. Let us bring India's tariff policy towards America down," he said.

**No US tariff yet: Jitin Prasad** p3

## **Looking at sops for exporters**

The government is working on more sops to help exporters deal with any tariff hikes the US may impose by building in flexibilities in the ₹2,250 crore export promotion mission announced in this year's Union Budget, sources have said. p3