

Goyal may soon be back in US with fresh trade offer

This could be the Commerce minister's second visit to US in less than a month

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New Delhi, 11 March

Union Commerce and Industry Minister Piyush Goyal may visit Washington later this month with a revised list of tariff reductions that India is willing to offer, according to people aware of the matter. The visit would aim to shield India from the impact of reciprocal tariffs — designed to match other countries' tariffs, taxes, and non-tariff barriers — which the Donald Trump administration plans to implement from April 2.

The US visit, Goyal's second in less than a month, signals New Delhi's urgency to defer the imposition of reciprocal tariffs. The minister had last week met key Trump administration officials in the US. India's initial pitch for tariff reductions, according to sources, was deemed inadequate.

Before leaving again for Washington, Goyal would meet exporters and industry representatives on Thursday to discuss the potential impact of the proposed tariff cuts and gauge their concerns, according to another source.

India and the US also aim to finalise the first tranche of a mutually beneficial bilateral trade agreement (BTA) within seven to eight months, said one of the sources quoted above.

The US seeks zero duty on most of its exports to India. So far, labour-intensive export sectors like textiles and leather have not pushed back against tariff cuts. "These sectors aren't worried about any tariff; they don't feel threatened by additional imports (if any) from the US. The larger concern is coming



TARIFFS ON TABLE

- The visit aims to shield India from the blow of reciprocal tariffs that the Donald Trump administration plans to implement from April 2
- Revised offer is being made since the initial pitch for tariff reduction made by the India was considered inadequate
- Goyal will also meet exporters and the industry on Thursday to discuss the potential impact of the proposed tariff cuts and gauge their comfort level
- The US side wants zero duty on most of their exports to India

from sectors like agriculture, automobile, and telecom," said one of the sources.

Government departments have been holding discussions to prepare for the upcoming negotiations and explore ways to lower the average applied tariff for US imports.

Trump has repeatedly flagged that India is a high-tariff nation. There's immense pressure on India to reduce duties, especially on cars, and politically sensitive sectors like agriculture. According to a Nomura report, India's weighted average effective tariff on US exports is 9.5 per cent, compared to 3 per cent on Indian exports to the US.

Meanwhile, the Centre informed Parliament that the US had not yet

imposed reciprocal tariffs on India. In a written reply to the Lok Sabha, Minister of State for Commerce and Industry Jitin Prasada said both countries were planning to negotiate a multi-sector BTA.

"The US issued a memorandum on Reciprocal Trade and Tariffs on February 13, 2025, wherein the Secretary of Commerce and United States Trade Representative are to take necessary actions to investigate harm to US from any non-reciprocal trade agreements adopted by trading partners and provide a report with detailed proposed remedies for each trading partner," Prasada said. Based on this report, the US might take action under relevant legislation, the minister explained.