

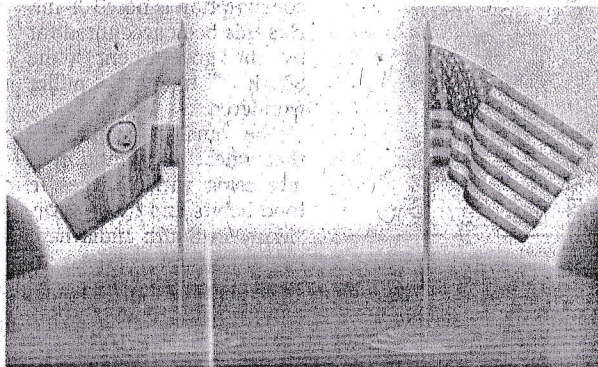
# India's situation on tariffs not same as China, Mexico, Canada, says govt

**GROUND REALITY.** Commerce Secretary tells Standing Committee no commitments given, negotiations are on

**Our Bureau**  
New Delhi

The government's position on tariff threats by the US is based on multiple factors ranging from the fact that no concrete measure has so far been effected against India, to the US administration's openness to negotiations on the Bilateral Trade Agreement (BTA), being worked out between the two countries.

As explained by Commerce Secretary Sunil Bartwal to the Parliamentary Standing Committee on External Affairs on Monday evening, the government's position is informed by the fact that the US has so far not imposed any India-specific tariffs. Second, India's situation is not comparable with Canada, Mexico or China on whom specific measures have been announced by the US.



**INDO-US TIES.** Negotiations are under way on a bilateral trade agreement between India and the US. GFTTY IMAGES/ISTOCKPHOTO

Third, despite the statements by the US President Donald Trump, who has asserted that India has agreed to scale its tariffs down, no formal agreement has so far been worked out between the two countries, neither has any commitment been given by India to the US.

To specific questions by the Standing Committee members especially from the

Opposition on the assertions by US Commerce Secretary Howard Lutnick that India has agreed to a broad agreement that will include agriculture, the Commerce Secretary said no commitments have been given by India.

#### **BILATERAL PACT**

Fourth, the negotiations are under way on a BTA for which India has time till

September to work out specific details with the US.

The government is also hoping that a uniform tariff may be applied on all countries that have a trade surplus against the US as reciprocal tariffs while Trump has been indicating that it could be country specific. "... Whatever they tariff us, other countries, we will tariff them. That's reciprocal back and forth. Whatever they tax us, we will tax them. If they do non-monetary tariffs to keep us out of their market, then we will do non-monetary barriers to keep them out of our market," he said at his Congressional address last week.

#### **NO REACTION YET**

To such pressure being brought on India, the Commerce Secretary said no concession has been given and that India will react only to what is finally worked out as a formal arrangement.

While the Opposition MPs were not satisfied with the explanation given by the Commerce Secretary, the BJP members said that there should be no politics with the negotiations.

"How can India react to statements? We have not agreed to anything yet. And we have to be mindful of the negotiations," a member told *businessline*.

#### **GAINS TOO**

Also, the members were informed that India does not stand to altogether lose from the US tariff threats and there are areas where the country can also gain.

India's tariffs on US goods are at a much higher 15.30 per cent (2022) than US tariffs on Indian products at around 3.83 per cent.

The US was India's largest trading partner in FY24 with exports worth \$77.51 billion and imports worth \$42.19 billion.