

At the WTO, India warns US of retaliation over tariffs on metals

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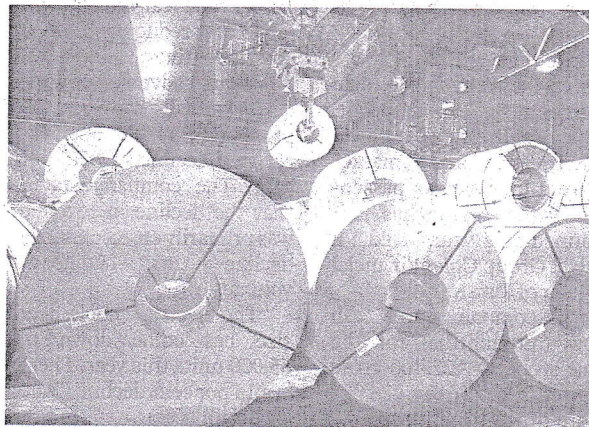
In a WTO notification, India has warned the US that it may take retaliatory action against the sweeping 25 per cent import duties on steel and aluminium imposed by the Donald Trump regime on March 12. Escalating the clash, India may impose tariffs on American goods leading to equivalent duty collection of \$1.91 billion in 30 days.

However, New Delhi is hopeful that the issue can be settled amicably with the US, if not at the WTO, then as part of the India-US Bilateral Trade Agreement (BTA) which is currently being negotiated.

"This (India's notification to the WTO) is an enabling action. It is up to India to act or not after 30 days. There have been instances when India has taken a much longer time to retaliate or has not retaliated at all. As the India-US BTA negotiations are on, the government hopes that the issue could be settled at that platform," a source tracking the matter told *businessline*.

INCONSISTENT VIEWS

In the notification, India said



TRADE BARRIER. On March 12, the Trump regime imposed sweeping 25% tariffs on steel and aluminium imports REUTERS

the US measures were safeguard duties, despite contrary claims by Washington, and needed to be countered as these were inconsistent with the WTO subsidies agreement.

"The safeguard measures would affect \$7.6 billion imports into the US of the relevant products originating in India, on which the duty collection would be \$1.91 billion," the notification stated.

"Accordingly, India's proposed suspension of concessions would result in an equivalent amount of duty collected from products originating in the US," the notification added.

Trump imposed sweeping

tariffs of 25 per cent on steel and aluminium imports on March 12 by modifying the steel and aluminium tariffs that he had originally imposed in 2018 (during his first stint as President).

In 2019, India imposed retaliatory tariffs on 28 items exported by the US but rolled back the levies on key items in 2023.

The move signals a tougher Indian stance, especially in politically sensitive sectors like steel and aluminium that align with its 'Make in India' industrial strategy, pointed out Ajay Srivastava of the Global Trade and Research Initiative.