

India 'not desperate' to seal early tranche of trade deal with US

ASIT RANJAN MISHRA

New Delhi, 23 June

India is not desperate to conclude an early-tranche trade deal with the United States by the July 9 deadline when the Donald Trump administration's 90-day pause on reciprocal tariffs is expected to end, but both sides are positively engaged towards a pact despite challenges, a government official said on Monday.

"It is difficult to say whether a deal will be signed by April 9 or not. It takes two to tango. I don't think any country

will be desperate to have a trade deal. We would like to have a good, win-win and positive trade deal with the US. Both sides will like to have a balanced deal," the official said.

This signals the evolving thinking within the government not to go out of its way to please the US in fear of the reciprocal tariffs that are likely to kick in early next month. "India's interest is always supreme," a second official said.



THE FIRST TRANCHE TALKS, WHICH NEED TO BE CONCLUDED BY FALL, ARE UNDERWAY

Asked about President Trump's announcement that he would soon inform each trading partner how much tariff will be applicable on them post July 9, the first official said he doesn't know how different it would be from the April 2 reciprocal tariff announcement.

The official added that even the US trade negotiators don't know whether the 90 deadline would be extended or not.

Turn to Page 6 ►

India-US 'positively engaged' on trade deal

Both sides concluded a round of negotiations in New Delhi earlier this month. The first official said the first tranche negotiations which need to be concluded by fall this year are ongoing. "This time, we need to go to the US. The dates are yet to be finalised," he added.

The first official said no other country is engaged with the US the way India is engaged for a trade deal. "We are positively engaged. But there are challenges," he added. The official particularly highlighted dairy as a sensitive area for India, signalling possible differences over allowing market access to the US in the sector. "India has not opened up the sector to the UK or Australia. However, it is of keen interest to the US," he noted.

Prime Minister Narendra Modi and President Trump, in February, had agreed to sign a mutually beneficial bilateral trade agreement (BTA) with the first tranche of the deal expected to be completed by fall of this year. However,

the US imposed reciprocal tariffs on countries, including 26 per cent on India, on April 2. Subsequently, it announced a 90-day pause on those tariffs to negotiate trade deals while retaining a universal 10 per cent tariff on countries, both sides agreed to sign an early tranche or interim deal before July 9.

"When you discuss an interim deal (early tranche), everything is on the table. Nothing is out. But it doesn't mean that everything will be part of the deal. We have to find a package where both of us feel we have taken something back home for our stakeholders. Whatever we agree on in the interim deal is going to be part of the first tranche trade deal," the first official said.

The official said India is not waiting for any other trade deal to be completed. "You sign a deal based on whether your expectations and requirements are met or not. We are a unique country. Our requirements are different from Vietnam or China," he added.