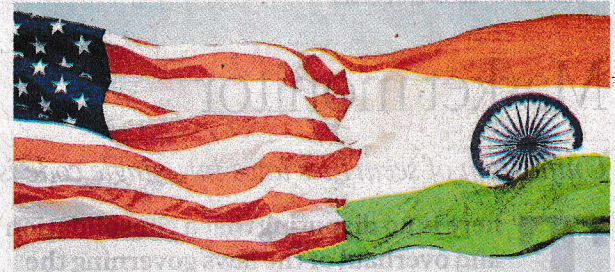


India-US trade talks in slow lane amid holiday season



MAJOR PARTNERS. The US is India's largest export market and continues to remain so despite the tariffs imposed in the last three months

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India-US bilateral trade talks have hit a holiday pause with discussions almost grinding to a halt due to festivities, sources said. However, New Delhi expects negotiations to accelerate in January 2026 to resolve the final "sticky" hurdles.

"After the Deputy US Trade Representative's recent visit to Delhi, talks are in the slow lane because of the holiday season. But once the festivities are over, we are hopeful that talks will pick up pace in the New Year and some of the sticky issues holding back the pact will be resolved," a source tracking the development told *businessline*.

On Monday, Commerce and Industry Minister Piyush Goyal said India was at an advanced stage of negotiations for a bilateral trade agreement (BTA) with the US. But he did not share details.

FIRST TRANCHE

"It seems unlikely that the first tranche of the BTA would be agreed upon by the year-end, but with US President Donald Trump, the most unexpected things could happen. One must hope for the best," an industry source said.

It is important for India to strike a deal with the US to get it to lower the 50 per cent additional tariffs imposed on most of India's goods from August-end. New Delhi wants the tariffs at levels comparable or lesser than those imposed on other countries that are its competitors in the American market. Countries such as Vietnam, Bangladesh, Indonesia and the Philippines have managed to strike trade deals with the US and get

their tariffs lowered to 19-20 per cent. "India definitely wants to strike a deal with the US but it has its red lines in terms of protecting its sensitivities, and these lines cannot be crossed. Negotiations have to continue around these," the source said.

One of the sticky matters that is yet to be sorted out is US' demand for market access for soya and corn. India has not given in to the demand as most of the soya and corn grown in the US is of the GM variety and the country does not allow it. Earlier this month, USTR Jamieson Greer conceded that the offer made by India as part of the trade pact negotiations were the "best offers Washington has received as a country". However, he said that India was showing "resistance" on some row crops (which includes soya and corn).

TRADE DELEGATION

Greer sent a trade delegation led by Deputy USTR Rick Switzer to India on December 10-12 to work on further opening up of agricultural markets, but not much headway was made, sources said.

The US also wants market access in dairy products, which India has been protecting both for economic reasons as well as for religious sensitivities. On Monday, during a briefing on the India-New Zealand FTA,

Goyal said that India had never opened up the dairy sector in any of its FTAs, and would never do so. The US is India's largest export market and continues to remain so despite the tariffs imposed in the last three months.

However, exporters are apprehensive they may not get new orders if the tariffs persist for a long time as buyers may move to sellers in countries with lower tariffs.