

US operationalises 10% global tariffs

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INDIAN PRODUCTS CLEARING US customs from Tuesday onwards will be subject to 10% duties instead of 50% when the contracts were negotiated, opening doors for some kind of a relief even for cargoes on seas.

While immediate windfall will be for the importer who would have to pay 40% less tariffs, some of it may be passed on to Indian sellers.

"Many exporters had an understanding with the buyers while negotiating contracts at very thin margin or even loss that benefit from change in duties would be shared with them too," CEO and Director General of Federation of Indian Export Organisations (FIEO) Ajay Sahai said.

The transit time for the US ports ranges from 45-60 days. So, at any given point of time one-eighth of annual exports to the US of \$10-12 billion are on seas so the benefit could be considerable if importers share the benefit of lower duties, he added.

Tariffs on India remained at 50% from last week of August 2025 to February 6 this year. Both sides issued a joint statement that removed 25% tariffs related to Russian oil purchases and agreed to bring down reciprocal tariffs to 18% from 25%. Before the order of Indian reciprocal tariffs came, the US Supreme Court struck down all country-specific tariffs.

The US Customs and Border Protection notified 10% additional duties on imported articles from all countries for a period of 150 days under Section 122 of the Trade Act of 1974 just hours before the new rates came into force at 12:01 am eastern standard time on



February 24, 2026 or 10:30 am India time on Tuesday.

Following the Supreme Court judgement, US President Donald Trump announced 10% global tariffs and hours later announced that they will be raised to 15%. The notification, however, operationalised only 10% tariffs.

Meanwhile a White House spokesperson quoted by NBC News said that the administration is preparing a separate order to raise additional tariffs to 15%.

Talks with US to resume after clarity emerges: Goyal

Trade talks with the US would resume as soon as there is more clarity in the situation regarding tariffs issues in the US, Commerce and Industry Minister Piyush Goyal said on Tuesday.

"As soon as there is more clarity in the situation," he said at Business Standard Manthan when asked how soon India will resume trade talks with the US.

The latest round of talks that were to be held this week on finalising legal text of the interim trade agreement have been rescheduled after consultations between the two sides to give time to evaluate the latest developments and its implications.