

Expect India to strike first trade pact: US Treasury Secy

Trump said India may reduce its high tariffs as part of the bilateral deal

ASIT RANJAN MISHRA

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As in-person negotiations between India and the United States kick-started on Wednesday, Treasury Secretary Scott Bessent said he expected India to strike the first bilateral trade deal to avert President Donald Trump's reciprocal tariffs.

According to the *New York Post*, Bessent told a roundtable of about a dozen reporters on Wednesday that trade talks with India are "very close" to reaching a successful conclusion because the world's most populous nation doesn't have "so many high tariffs". "India also has fewer non-tariff trade barriers, obviously, no currency manipulation, very, very little government subsidies, so that reaching a deal with the Indians is much easier," Bessent said at a Washington DC event on the sidelines of the annual World Bank and International Monetary Fund meetings.

Separately, President Trump told reporters at the White House during the signing of executive orders that India is going to reduce its high tariffs as part of the bilateral trade agreement (BTA) under negotiation. "India charges almost more than any other country in the world. Believe it or not, we do very little business with India because their tariffs are very high. They have amongst the highest tariffs (in the world), higher than China. I understand they are going to reduce those tariffs. It's really sort of their problem not ours," he said.

Citing the example of Harley



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SCOTT BESENT, US Treasury Secretary

Davidson, Trump said the US does "very little" exports to India. He said about six years ago, when he asked Harley Davidson officials, they told him that they don't do any business in India because of high tariffs and are going to set up a plant in India.

"And that's what they did. I don't want that to happen. They were forced to build a plant. (If) there were no tariffs, they would build their plant here," Trump told reporters.

A team of Indian commerce department officials, led by chief negotiator and

commerce secretary-designate Rajesh Agrawal, is currently in Washington DC for negotiating a trade deal with the US. While both sides have resolved to conclude the first tranche of the BTA by fall of this year, Indian officials have spoken about concluding an "early tranche" by July 8 when the current pause on country-specific reciprocal tariffs will expire.

While welcoming India's constructive engagement for conclusion of the BTA, United States Trade Representative (USTR) Jamieson Greer on Tuesday said that there is a "serious lack of reciprocity" in the trade relationship with New Delhi.

"These ongoing talks will help achieve balance and reciprocity by opening new markets for American goods and addressing unfair practices that harm American workers. India's constructive engagement so far has been welcomed and I look forward to creating new opportunities for workers, farmers, and entrepreneurs in both countries," Greer said in a statement while welcoming the announcement of the finalisation of the terms of reference (TOR) for the BTA by US Vice President JD Vance and Prime Minister Narendra Modi.

During his visit, Vance urged India to remove non-tariff barriers and allow greater market access for American businesses. In a factsheet released on Tuesday, the USTR office said India's average applied tariff is 17 per cent, among the highest of the world's largest economies, while the US average applied tariff is 3.3 per cent.

(With inputs from PTI)