

GOVERNMENT OF INDIA

MINISTRY OF EXTERNAL AFFAIRS

LOK SABHA

UNSTARRED QUESTION NO- 2155

ANSWERED ON- 12/12/2025

TARIFFS ON INDIAN GOODS

2155. SHRI ADV GOWAAL KAGADA PADA VI

Will the Minister of EXTERNAL AFFAIRS be pleased to state :-

(a) whether the Government has noted the sharp escalation in trade tensions with the United States in August 2025, when the US announced tariffs of up to 50 percent on Indian goods citing India's purchase of Russian oil, if so, the details thereof;

(b) the total value of Indian exports to the US affected by these tariffs and its expected impact on India's economy and bilateral trade;

(c) the diplomatic engagements or negotiations the MEA has initiated to resolve or mitigate these tariff measures and the timelines of these discussions;

(d) whether India has sought or plans to seek compensatory or retaliatory trade-measures;

(e) the manner in which these align with India's broader foreign policy and trade strategy; and

(f) the timeline by which the Government expects normalisation of trade relations with the US and the time by which first progress report will be made public in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS

(SHRI KIRTI VARDHAN SINGH)

(a to f) On 31 July 2025, the U.S. imposed reciprocal tariffs, invoking national emergency authorities under the International Emergency Economic Powers Act (IEEPA), on certain goods exported by most countries, including India. Further, on 27 August 2025, an additional 25% ad valorem duty was applied on select Indian exports under IEEPA in response to India's importation of Russian oil. In parallel, the U.S. has imposed a range of sector-specific tariffs under Section 232 of the Trade Expansion Act on products such as steel and aluminium, copper, upholstered furniture and kitchen cabinets, softwood, and automobiles.

However, several goods and services, including crude oil and petroleum products, pharmaceuticals, bullion, certain electronic items, precious metals, critical minerals, resins and plastics, agricultural products, and IT services, among others, have not been subject to tariffs. Based on 2024 trade data, an estimated USD 47.2

billion of India's merchandise exports to the U.S., out of a total of about USD 86.4 billion, fall under the categories subject to these additional tariffs.

Government remains in close consultation with Indian exporters and industry to assess their feedback on the implications of the U.S. measures. Efforts are underway to provide targeted support to exporters through initiatives such as the new Export Promotion Mission, Reserve Bank of India's trade-facilitation provisions and Credit Guarantee Scheme for Exporters, improving the utilization of existing Free Trade Agreements (FTAs) and advancing negotiations on new (FTAs). This also includes sustained engagement with the U.S. Government for the early conclusion of a fair, balanced, and mutually beneficial multi-sector India-U.S. Bilateral Trade Agreement.
