

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE AND INDUSTRY  
DEPARTMENT OF COMMERCE  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 4090**  
**ANSWERED ON 17/03/2026**

TARIFF RATES

4090. DR. MOHAMMAD JAWED:

Will the Minister of **COMMERCE AND INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the Government recently concluded trade arrangements/understandings with the United States of America, including the key features, tariff commitments, sectoral coverage and strategic objectives of the agreement;
- (b) whether the Government has assessed if the current tariff of 18% imposed on certain Indian products by the United States is linked in any manner to India's continued purchase of energy from Russia or any potential threat of sanctions, if so, the details thereof and the Government's response to safeguard national economic interests; and
- (c) the details of likely impact of the 18% tariff on the overall Indian economy, including sectorwise implications on exports, MSMEs, employment generation and trade competitiveness, particularly in comparison to tariff rates imposed on other countries in the region?

**ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री जितिन प्रसाद)  
THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY  
(SHRI JITIN PRASADA)

(a) to (c) India and the United States (U.S.) announced a trade deal on 2nd February 2026. A Joint Statement for the same was released on February 07 2026. On February 07 2026, 25% additional ad valorem tariffs imposed by the U.S. on certain India's exports citing India's imports of Russian oil were removed. Subject to the conclusion of the Interim Agreement, the U.S. will provide preferential market access to Indian goods, including textile and apparel, leather and footwear, plastic and rubber, organic chemicals, home décor, artisanal products, certain machinery, etc. Further, the U.S. will reduce additional tariff on India to 0% on a wide range of products, such as gems and diamonds, aircraft parts, generic pharmaceuticals, certain machinery and parts, vegetable saps, certain instruments and apparatus, certain plastic and rubber, certain auto parts, etc. The agreement will boost MSME exports in marine products, processed food, textiles, leather, and handicrafts by improving preferential market access while protecting sensitive sectors. The agreement will provide opportunities to Indian farmers and fishermen to enhance their exports in their areas of strength, such

as marine products, basmati rice, spices, tea and coffee, oil seeds, and certain fruits. It will also provide preferential access to a big market for agro forestry-linked products such as vegetable saps, waxes, nuts, plating material, coconut, poppy seeds, vegetables and certain roots, along with processed fruit products such as juices, pulp and jams. The interests of all sensitive sector such as dairy and agriculture have been protected. Further information regarding the Interim Trade Deal is also available at the following web-link:-

<https://www.commerce.gov.in/wp-content/uploads/2026/03/FTAs-achievement.pdf>

Pursuant to U.S. Supreme Court judgement dated 20<sup>th</sup> February 2026 invalidating reciprocal tariffs, the reciprocal tariffs are no longer in force. The U.S. Government has issued Executive Orders imposing 10% tariffs on certain products from all countries. The Government is studying all the developments and remains engaged with the U.S. Government.

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