

Trump unveils India tariffs but talks go on

US president criticises New Delhi for buying arms and energy from Russia

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Donald Trump announced the US would levy 25 per cent tariffs on imports from India and impose an unspecified penalty on the south Asian nation but later cast doubt on those plans by saying the two sides were still negotiating.

The US president yesterday posted online that Indian tariffs were “among the highest in the World”, adding New Delhi had “the most strenuous and

obnoxious non-monetary Trade Barriers of any Country”. India had “always bought a vast majority of their military equipment from Russia” and was Moscow’s biggest purchaser of energy at a time when the Ukraine war was still raging, Trump said.

“ALL THINGS NOT GOOD!” he wrote. “INDIA WILL THEREFORE BE PAYING A TARIFF OF 25%, PLUS A PENALTY FOR THE ABOVE, STARTING ON AUGUST FIRST.”

But Trump later on Wednesday told reporters Washington was currently negotiating with New Delhi, adding: “We’ll see what happens.”

The US president had said on Tuesday he would be imposing sanctions on Rus-

sia, including “secondary tariffs” on its energy customers, if Moscow did not halt the war in Ukraine within 10 or 12 days.

Trump has also been pushing countries to boost purchases of US energy and military equipment. The EU said it would buy more American weapons as part of a trade deal with the US struck over the weekend.

The Indian government said it had “taken note” of Trump’s statement and was “studying its implications”. It added that it remained committed to “concluding a fair, balanced and mutually beneficial bilateral trade agreement”, but attached “the utmost importance” to protecting and promoting the welfare

of farmers, entrepreneurs and small and medium-sized businesses. “The government will take all steps necessary to secure our national interest,” it said.

Speaking before Trump’s remarks to reporters, an Indian official who declined to be identified said the president’s social media post did not appear to be his final word.

“So far it’s a tweet and not a letter. That seems to indicate that there is some scope,” the official said. “For others he has just been sending out letters to a president or a PM that basically says, ‘Screw you.’”

Trump’s announcement follows three turbulent weeks in which he has alternated between issuing letters

threatening high tariffs on other countries and announcing deals.

The tariffs on New Delhi would, if implemented, probably affect Apple’s plan to source more than 60mn iPhones sold each year in the US from India by the end of 2025.

With shipments from China declining, India accounted for 44 per cent of smartphones imported to the US in the second quarter of this year, up from 13 per cent in the same period in 2024, according to research group Canalys.

“Although trade talks between the two nations appear to have stalled . . . we believe the trade saga is far from over,” said Madhavi Arora, chief economist at Emkay Global in Mumbai.