

US Increased Tariff from 25% to 50% on Indian Imports

- **On August 7, 2025, US President Donald Trump imposed an additional 25% tariff on all Indian goods entering the US, to penalize New Delhi's continued purchases of Russian oil.** This additional 25% brings the total tariff to 50%, and is due to take effect on August 27, 2025.
- **Earlier, on July 30, President Donald Trump had announced a 25% tariff** on a wide range of goods imported from India. The tariff was scheduled to take effect on August 7, 2025.
- In response to President Trump's recent tariff increase, the **Indian government** has expressed **strong objections**, labeling the move as **"unfair, unjustified, and unreasonable."** The Indian government has stated that it will take all necessary measures to protect its national interests.
- Despite several rounds of negotiations aimed at establishing a bilateral trade pact, discussions between India and the US ultimately failed to yield results. Trump had previously hinted at the possibility of a "big deal" during the talks, but key sticking points, particularly India's refusal to open its farm, fishery, and dairy sectors to US exports, hindered progress.
- **Prime Minister Narendra Modi** emphasized the importance of protecting Indian farmers, stating, **"The strength of our farmers and agriculture is the very basis for the development of our country. Our policies are designed not only to support our farmers but also to bolster their confidence. We cannot compromise on this."**
- **Modi's statement underscores India's commitment to safeguarding the interests of its agricultural sector, including dairy and fishery businesses, amidst external pressures.** This stance reflects the reality that the refusal to open agricultural trade to the US was a significant factor in the breakdown of negotiations and may have contributed to the initial 25% tariff imposed by Trump, which was later compounded by an additional 25% due to India's crude oil imports from Russia. **Notably, China, which imports more crude oil from Russia than India, has not faced similar tariffs.**
- As India navigates these challenges, it remains justified in resisting US demands to open its agricultural and related sectors, reinforcing its position in future negotiations.
- This action of the US is also being seen as an attack on the member nations of BRICS for trading in their local currencies.