

# India US corn trade: Why does India not import corn from the US?

Corn import tariffs India: For now, it is unlikely that India will relent to the US demand to cut tariffs or allow imports of GM corn. That likelihood is even less ahead of assembly elections in Bihar: the state is India's third-largest maize producer

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India US corn trade: For the US, India is a huge potential market for corn, given its rising consumption of animal products. (Photo: Reuters)

**India US corn trade:** US Commerce Secretary [Howard Lutnick](#) has questioned India for not opening up its market to American corn: “India brags that they have 1.4 billion people. Why

don't 1.4 billion people buy one bushel of US corn?", he has asked.

The US official isn't entirely wrong. Out of India's total corn (maize) imports of 0.97 million tonnes (mt) in 2024-25, a major chunk came from Myanmar (0.53 mt) and Ukraine (0.39 mt). Some quantity was also imported from the US, but it was minuscule at 1,100 tonnes.

There are two reasons why India's corn imports aren't much. The first has to do with tariffs. India allows up to 0.5 mt of corn imports annually at 15%, with quantities beyond that attracting 50% duty. Secondly, it does not permit any import of corn that is genetically modified (GMO).

Both these conditions are major irritants for the US, which is the world's biggest producer as well as exporter of corn. During 2024-25 (October-September), the US produced 377.63 mt and exported 71.70 mt of the cereal grain that is used as a source of energy-providing carbohydrates for poultry and livestock, and also as a feedstock for making fuel and industrial-grade ethanol.

With both production and exports for 2025-26 projected to hit new records of 427.1 mt and 75 mt, the [Donald Trump](#) administration is naturally looking at new markets for the corn, grown by farmers mainly in the Midwestern states of Iowa, Illinois, Nebraska, Minnesota, Indiana, South Dakota and North Dakota, Kansas, Missouri, Ohio and Wisconsin.

That urgency is even more considering that China was, until recently, the largest buyer of US corn.

Out of the \$18.57 billion worth of its exports in 2022, \$5.21 billion was accounted for by China, followed by Mexico (\$4.92 billion), Japan (\$2.99 billion), Canada (\$1.34 billion) and Colombia (\$957.9 million). But in 2024, US corn exports were valued at only \$13.70 billion, with China's purchases at just \$331 million, way behind Mexico (\$5.51 billion), Japan (\$2.73 billion) and Colombia (\$1.52 billion).

In the current calendar year (from January to July), as the trade war with China has escalated, the latter has further cut its corn imports from the US to a mere \$2.4 million. That explains the desperation behind Lutnick's statement.

For the US, India is a huge potential market for corn, given its rising consumption of animal products – milk, eggs, fish and meat – with an increase in population and per capita GDP that would, in turn, drive demand for feed and ingredients such as maize and soyabean meal.

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In a recent report, the US Department of Agriculture has projected India's domestic corn consumption to climb from 34.7 mt in 2022-23 to 98 mt in 2040 and 200.2 mt in 2050 under a scenario of "rapid" per capita income growth of 6.6% per year. It would go up less – to 62.5 mt in 2040 and 93 mt in 2050 – if the annual income growth is "moderate" at 4.6%. Meeting that demand would require imports of 46 mt and 134 mt in 2040 and 2050, respectively, under the "rapid" and 11 mt and 26 mt under the "moderate" income growth scenarios.

While the US would obviously want to grab a big piece of this pie, the problem is that an estimated 94% of its total area planted to corn in 2024 was under GM varieties. These incorporate genes from bacteria that code for proteins enabling the crop to "tolerate" the application of chemical herbicides such as glyphosate and glufosinate or resist attacks by specific insect pests.

India, at present, neither permits the import of GM corn nor its planting by farmers here. One proposal that was mooted in a now-withdrawn NITI Aayog report has been to allow GM maize imports exclusively for use as a feedstock for manufacturing fuel ethanol. Such maize would, then, not enter the food chain, whether directly or as milk, eggs and meat coming from cattle and poultry birds fed on the grain.

For now, it is unlikely that India will relent to the US demand to cut tariffs or allow imports of GM corn. That likelihood is even less ahead of assembly elections in Bihar: The state is India's third-largest maize producer after Karnataka and Madhya Pradesh.

The US is, incidentally, also the world's cheapest maize producer. The average farmgate price of its corn in July was \$4.29 a bushel (25.4 kg), which works out to less than Rs 15 per kg. This is against the ruling wholesale prices of Rs 22-23 per kg in India and the government's declared [minimum support price](#) of Rs 24/kg for the 2025-26 crop.

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