

# Highlights of India-U.S. interim trade framework

**United States and India agree on a framework for an interim reciprocal trade agreement**

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REUTERS



U.S. President Donald Trump and Prime Minister Narendra Modi shake hands. File. | Photo Credit: Reuters

The United States and India moved closer to a trade pact on Friday (February 6, 2026), releasing an interim framework that would lower tariffs, reshape energy ties and deepen economic cooperation as both countries seek to realign global supply chains.

Here are key points of the joint statement:

## India-U.S. trade deal **LIVE** updates

### What was announced

United States and India agree on a framework for an interim reciprocal trade agreement

Framework linked to broader U.S.-India Bilateral Trade Agreement (BTA) talks launched on Feb. 13, 2025

Deal aims at reciprocal, balanced trade and supply chain resilience

### India's tariff actions

To eliminate or reduce tariffs on all U.S. industrial goods

To cut duties on a wide range of U.S. farm and food products, including DDGs (dried distillers' grain) and red sorghum for feed, tree nuts and fruits, soybean oil, wine and spirits

To provide preferential market access in agreed sectors

### U.S. tariff actions

To apply an 18% reciprocal tariff rate on Indian-origin goods under existing executive orders

Tariffs initially cover sectors including textiles and apparel, leather and footwear, plastics and rubber, organic chemicals, home decor and artisanal goods, certain machinery

To remove reciprocal tariffs on a wide range of Indian goods after successful conclusion of the interim deal, including generic pharmaceuticals, gems and diamonds, aircraft parts

### Steel, aluminium, and auto parts

U.S. to remove certain Section 232 tariffs on Indian aircraft and aircraft parts tied to steel, aluminium and copper measures

India to receive a preferential tariff-rate quota for auto parts under U.S. national security tariff rules

Pharmaceutical tariff outcomes subject to ongoing U.S. Section 232 probe

## Non-tariff barriers

India to address long-standing barriers affecting U.S. medical devices, ICT (Information and Communication Technology) goods import licensing, U.S. food and agricultural products

India to review acceptance of U.S. or international standards and testing rules within six months in identified sectors

Both sides to discuss standards and conformity assessment procedures

## Rules and safeguards

Both sides to set rules of origin to ensure benefits accrue mainly to U.S. and Indian producers

Either side can modify commitments if the other changes agreed tariffs

## Digital trade

Both countries commit to address discriminatory or burdensome digital trade practices

To work toward digital trade rules under the full BTA

## Supply chains and security

Both sides to align on economic security and supply chain resilience

Cooperation planned on investment reviews, export controls, non-market policies of third countries

## India purchase commitments

India intends to purchase \$500 billion worth of U.S. goods over five years, including energy products, aircraft and parts, precious metals, technology products, coking coal

Both sides to expand technology trade, including Graphics Processing Units (GPUs) and data centre equipment

## Next steps

Framework to be implemented promptly

Countries to finalise interim agreement while continuing negotiations toward a full bilateral trade agreement.

India–U.S. trade framework: What the interim deal means

India–U.S. trade deal: Tariffs cut, markets open

| Video Credit: The Hindu

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