Navigating tariff turbulence: Grant Thornton Bharat's insights on US's Reciprocal Tariffs Policy

July 2025

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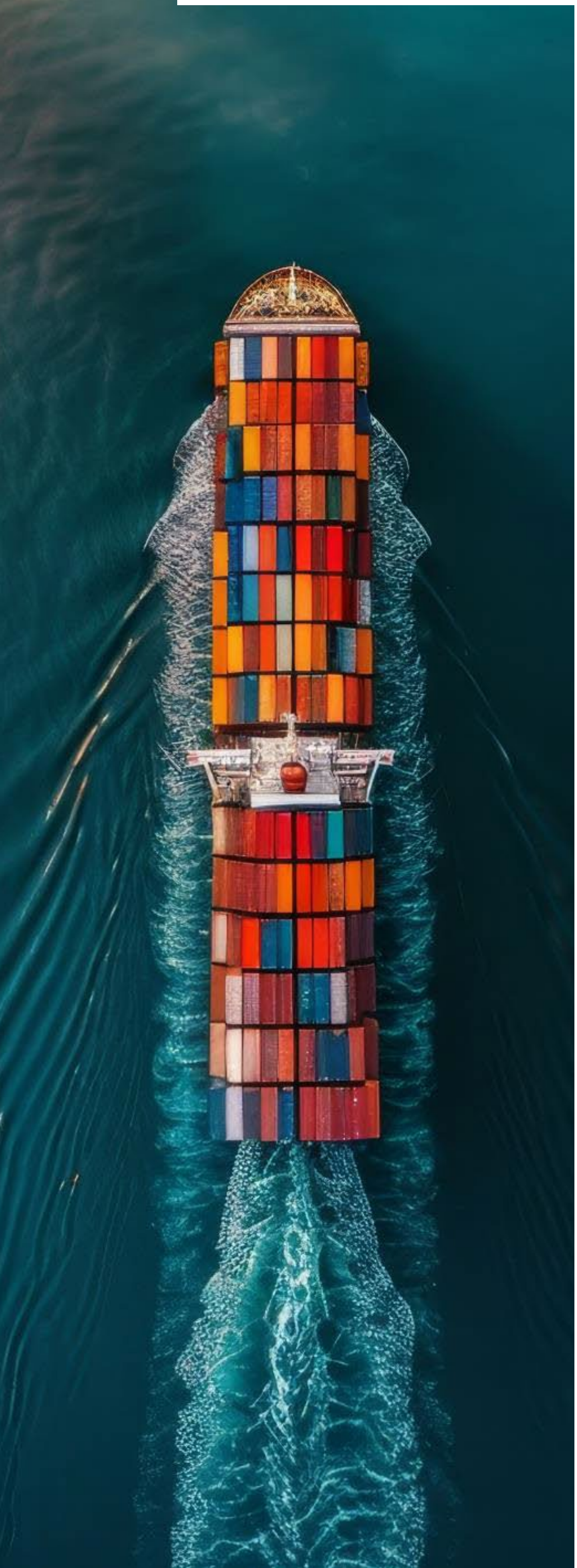

Foreword

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In recent years, global trade has undergone a fundamental shift, with the United States adopting an increasingly assertive stance through the imposition of reciprocal tariffs and the recalibration of long-standing trade commitments. This evolving policy direction, marked by heightened enforcement and political scrutiny, has introduced new complexities for global businesses and emerging economies, including India.

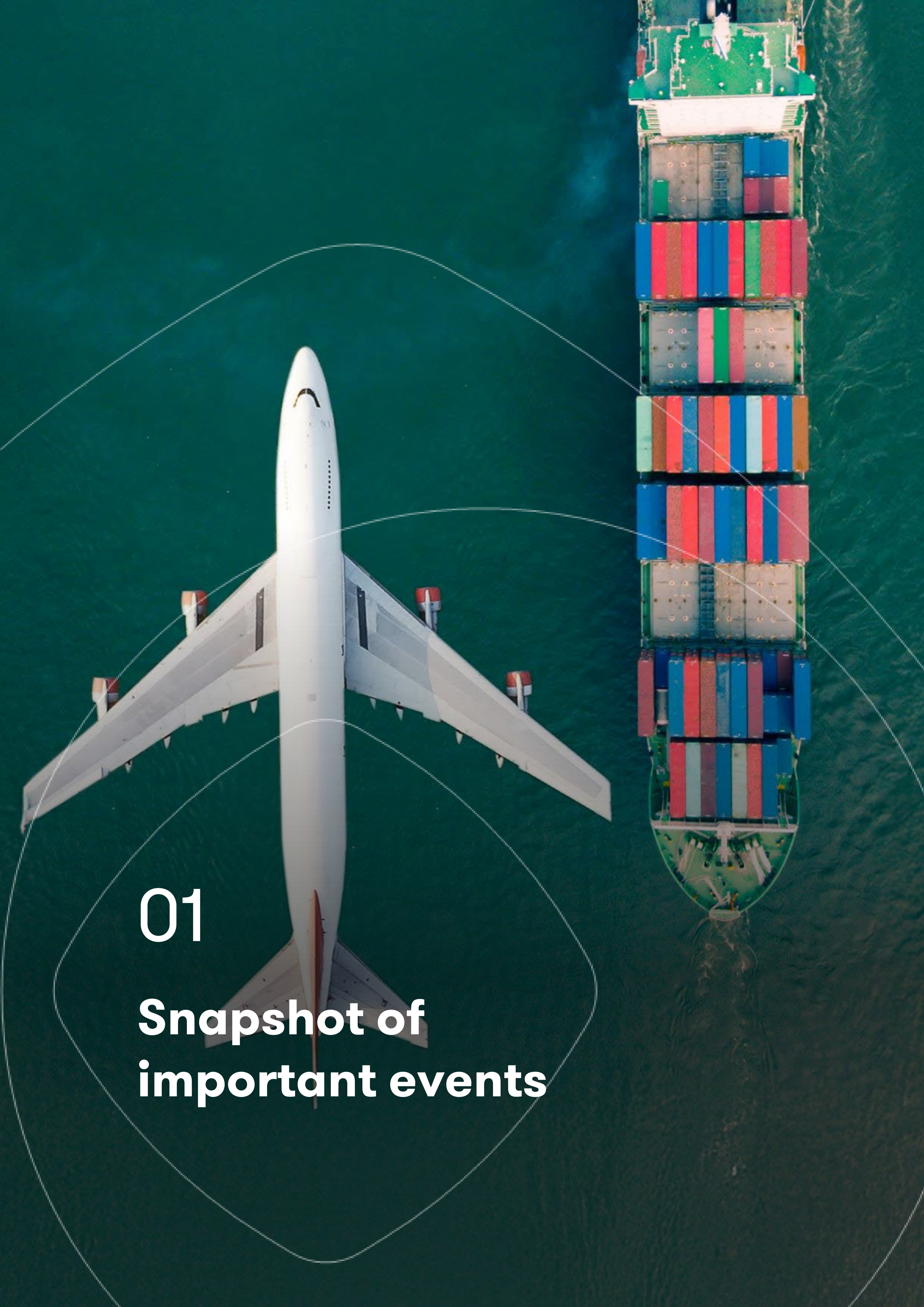
Several pivotal developments have shaped the global trade landscape. The US-China 'Phase One' deal, though limited, signaled a pause in escalating tensions and a move toward fragile realignments. In a major judicial shift, the US Court of International Trade struck down the Trump-era" Liberation Day" tariffs, citing overreach under the IEEPA. However, the US Court of Appeals subsequently stayed the ruling, temporarily reinstating the tariffs. These events highlight the ongoing volatility and legal uncertainty surrounding US tariff policy.

For India, the impact is both challenging and strategic. Key sectors, including steel, textiles, pharmaceuticals, and electronics, face higher costs and increased compliance burdens. Yet, the current pause by the US in tariff escalation and its push to diversify supply chains present India with a strong opportunity to expand its global trade footprint and attract investment. Looking ahead, the increasingly transactional nature of global trade calls for proactive planning. Indian businesses must adapt supply chains, trade strategies, and compliance frameworks to navigate shifting rules.

Against this backdrop, Grant Thornton Bharat has compiled this compendium to offer a consolidated view of key developments, insights, and practical guidance for navigating the far-reaching implications of US tariff actions.

At Grant Thornton Bharat, we remain committed to helping clients navigate these complexities. Our team combines global trade expertise, legal and policy insights, and practical implementation support to help businesses anticipate risks, capitalize on new market opportunities, and remain compliant in an ever-evolving trade ecosystem.

We trust this compendium will serve as a valuable reference as you navigate the dynamic landscape of US reciprocal tariffs.



01

Snapshot of important events

January 2025

Trump is sworn into office for the second time. He specified that effective **1 February 2025, Canada and Mexico** shall be charged **25%** tariff as per the **IEEPA.**

February (1-4) 2025

On **1 February 2025,** Trump issued an executive order imposing **25% tariffs on Canada and Mexico and 10%** additional tariffs on all Imports from China. On **3 February 2025**, Canada and Mexico were provided with a 30-day pause. China announced a **15%** tariff on US imports.

February (10-25) 2025

On 1 March 2025, Trump's **25%** tariffs on imports from Canada and Mexico go into effect. On **5 March 2025,** Trump grants exemptions for automakers importing from Canada and Mexico. Further, on **6 March 2025,** he postponed tariffs till **2 April 2025.**

March (1-6) 2025

On 1st March Trump's 25% tariffs on imports from Canada and Mexico go into effect. On **5th March** grant exemptions for automakers importing from Canada & Mexico. Further, on **March 6th** postpones tariffs till **April 2nd**

March (12-26) 2025

On 1 March 2025, Trump's **25%** tariffs on imports from Canada and Mexico go into effect. On **5 March 2025,** Trump grants exemptions for automakers importing from Canada and Mexico. Further, on **6 March 2025,** he postponed tariffs till **2 April 2025.**

3 June 2025

Trump signed an executive order increasing Section 232 tariffs on steel and aluminum (for all countries except the UK) from 25% to 50%, marking a notable shift in trade enforcement.

25 May 2025

Trump backed away from his threat to impose 50% tariffs on imports from the European Union next month, restoring a July 9 deadline to allow for talks between Washington and the 27-nation bloc to produce a deal.

23 May 2025

Trump recommended a 50% tariff on imports from European Union effective from June 1, expressing frustration that trade negotiations with the EU were not moving quickly enough.

12 May 2025

US-China - Initial trade deal: The deal introduces a 90-day tariff truce that came into force on 14 May 2025. The US has reduced the duty rate from 145% to 30% for a period of 90 days (effective 14 May to 12 August 2025) and China reduced from 125% to 10%.

April (4-12) 2025

4 April - China imposes **34%** on US imports.

5 April - **10% minimum tariff** takes effect.

9 April – Higher reciprocal tariff effects. Within hours, **a pause of 90 days was** announced. Except for China, the tariff increased to **145%.**

12 April – Exemption for phones, PCs and semiconductors

2 April 2025

Trump announces his long-promised "reciprocal" tariffs — declaring a **10 percent** baseline tax on imports from all countries, as well as higher rates for 57 nations that run trade surpluses with the US.

11-12 June 2025

Trump confirmed on June 12 that the deal was done announcing mutual commitments by the US tariffs on Chinese imports set at 55% and China's at 10%, alongside expanded export arrangements for rare-earths and student visas.

16 June 2025

The US and UK signed an Economic Prosperity Deal under which the US tariffs on the UK aerospace are eliminated, and auto tariffs are reduced from 25% to 10%.

2 July 2025

On 2 July, Trump announced that the US and Vietnam had reached an agreement on a loose framework for a trade deal. Under this framework, Vietnamese exports to the US will face a 20% tariff, replacing the lower 10% rate applied during the prior tariff pause.

4 July 2025

India proposed retaliatory tariffs against the US under the WTO norms over the American tariffs on the automobile sector in the name of safeguard measures.

7 July 2025

- An Executive Order (EO 14316) was issued to suspend the expiration of country-specific reciprocal tariffs, which had been set to lapse on 9 July and have now been extended to **1 August.**
- Trump issued tariff letters to 14 countries announcing higher reciprocal tariffs **effective 1 August,** based on trade imbalances as under:
  - Japan, South Korea, Tunisia, Malaysia, Kazakhstan - 25%,
  - Bosnia & Herzegovina, South Africa - 30%,
  - Indonesia - 32%,
  - Bangladesh, Serbia - 35%,
  - Cambodia, Thailand – 36%,
  - Laos, Myanmar- 40%

9 July 2025

- Trump sent tariff letters to eight more countries announcing higher reciprocal tariffs as under starting **1 August:**
  - Philippines: 20%
  - Brunei and Moldova: 25%
  - Algeria, Iraq, Libya and Sri Lanka: 30%
  - Brazil: 50%
- Trump announced that the US will impose 50% tariffs on the global imports of copper, effective on **1 August.**

8 July 2025

Trump announced potential 10% tariffs on BRICS nations, including India, accusing the bloc of undermining the US dollar and warning that they would soon face these additional duties.

02

Impact on India

Background

Removing trade barriers among the member countries has been one of the prominent objectives of the WTO, where India is a founding member. Import tariffs have been identified as critical barrier to international trade. That's why one of the most important aspects of the WTO is the limitation imposed on the use of import tariffs.

As a result of consistent efforts of the WTO, after the Uruguay Round of discussion, many countries committed to reducing import tariffs in a time-bound manner. These included commitments to cut and "bind" their customs duty rates on imports of goods. In some cases, tariffs are being cut to zero. There has also been a significant increase in the number of "bound" tariffs, i.e., duty rates committed to the WTO that are difficult to raise.

As a result, most developed nations cut their import tariff significantly over five years, bringing it down to 3.8 % on most of the products.

The Uruguay Round package has been improved. On 26 March 1997, 40 countries, accounting for more than 92% of world trade in information technology products, agreed to eliminate import duties and other charges on these products by 2005. As with other tariff commitments, each participating country applies its commitments equally to exports from all WTO members (i.e., on a most-favoured-nation basis), even from members that did not make commitments.

The above information makes it abundantly clear that the import tariff has always been contentious. A reduction in the import tariff rate has been achieved through a rigorous negotiation process. Though most developed countries reduced import tariffs for most of the products in the range of 5~3.5%, developing countries were given more time to do the same.

India has also started rationalising its import tariff, and the general rate is fixed at 7.5%. However, considering various factors, certain products are still chargeable at higher rates. However, it is essential to note that these are general rates, and due to the principles of the MFN, the same rate would apply to imports from all member countries. If the US imposes reciprocal tariffs on other countries, it will violate the MFN principle, as this will lead to unequal treatment and against the WTO's goal of fostering fair trade.

While developed countries typically reduce tariffs over time, developing nations like India were granted more time and flexibility to protect sensitive sectors, such as agriculture. For example, India has imposed higher tariffs on agricultural products to safeguard its domestic farmers, but these tariffs are applied uniformly to all WTO members, in compliance with MFN rules, thus balancing the need for domestic protection with international obligations.

Recent developments

In December 2024, US President Donald Trump reignited trade tensions by calling out India's high tariffs on American imports, reaffirming his commitment to impose "reciprocal tariffs" in retaliation. As part of his "America First Trade Policy," he directed the USTR to identify trading partners for potential bilateral or sector-specific trade agreements to bolster American exports.

Trump also criticised the European Union, Mexico, Brazil, and other nations for allegedly engaging in unfair trade practices against the US. Declaring that the era of one-sided trade was over, he announced that starting 2 April 2025, the US would impose duties mirroring those levied by these nations. He argued that such tariffs would boost US revenue, create domestic jobs, and prevent the US from being "taken advantage of" any longer.

For India, this policy presents both challenges and opportunities. The US imposes steep tariffs (15%-35%) on key Indian labour-intensive exports such as textiles, garments, and footwear. Experts suggest that India could strategically negotiate a tariff reduction agreement, ensuring better access for its exports and enhancing their global competitiveness. However, analysts warn that critical Indian exports such as chemicals, metal products, jewellery, automobiles, pharmaceuticals, and food items could be prime targets for retaliatory US tariffs.

Given the substantial trade relationship between the two nations, this policy is poised to have significant implications for India's economy. The impact of the proposed reciprocal tariffs by the US on India will depend on how the policy is implemented, whether on a sectoral or product-specific basis.

US-India trade relations

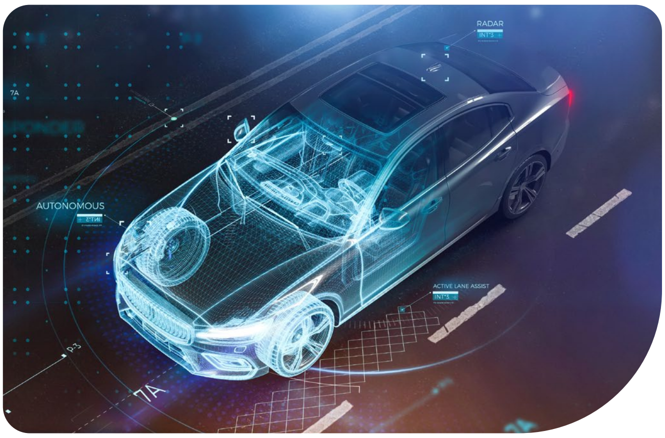
In 2024, US-India goods trade reached USD 129.2 billion. US exports to India rose 3.4% to USD 41.8 billion, while imports grew 4.5% to USD 87.4 billion. The trade deficit widened by 5.4% to USD 45.7 billion[1].

India ranks 10th among the countries with which the US has a negative trade balance, according to the BEA. The trade deficit between the US and India has been widening, with the US importing USD 45.7 billion more from India than it exported there in 2024, and US imports from India accounted for about 2.7% of all imported goods last year.

India has traditionally had a high tariff regime to protect domestic industries and promote initiatives like "Make in India." According to the WTO data, India's simple average tariff rate is 17%, significantly higher than the US average of 3.3%[2].

The US tariff rate on Indian goods increased from 2.72% in 2018 to 3.91% in 2021 before slightly declining to 3.83% in 2022. Meanwhile, India's tariffs on US imports have risen from 11.59% in 2018 to 15.30% in 2022[3].

Trump's administration highlighted several instances where India's import duties were significantly higher than those of the US. A few examples of such cases are:



Motorcycles and automobiles: India imposed a 100% tariff on Harley-Davidson motorcycles, while the US charged only 2.4% on Indian motorcycles. After Trump's criticism, India reduced the tariff to 50%. India levied a 100% tariff on imported luxury cars, one of the highest in the world. In contrast, the US had a 2.5% tariff on Indian passenger cars and 25% on cargo and pickup trucks. India imposes high tariffs on imported automobiles, motorcycles, and certain high-value goods as part of its broader strategy to promote domestic manufacturing and self-reliance. In contrast, the US follows an outsourcing model, shifting manufacturing to lower-cost destinations to enhance corporate profitability and global competitiveness.

Agricultural products: India levied a standard 42-120% duty on almonds and 50% on apples, 100-120% on walnuts, 30% on American cherries and cranberries. Meanwhile, the US imposed zero tariffs on Indian mangoes. India is the largest importer of US almonds[4], so increased tariffs impacted American farmers. India exports coffee, tea, and other beverages worth around USD 390 million annually to the US, along with shrimp and fish exports amounting to about USD 2 billion. While a blanket 100% tariff on all US agricultural imports would be highly problematic for India, the country's agricultural and food exports, including shrimp and dairy - where tariff differentials reach nearly 40% - would be among the hardest hit[5]. India has raised tariffs on agricultural goods to protect domestic farmers while lowering the tariffs on primarily imported products.

These tariff imbalances have long been a point of contention in US-India trade negotiations and are now central to Trump's reciprocal tariff action.

1. https://ustr.gov/countries-regions/south-central-asia/india
2. https://www.wto.org/english/res_e/statis_e/daily_update_e/tariff_profiles/in_e.pdf
3. According to SBI research
4. imported USD 614.5 million worth of almonds from the US in April-November FY25, USD 22.48 million worth of apples and USD 6.68 million worth of cranberries
5. as reported by the Global Trade Research Initiative (GTRI)

Tariff arbitrage in India-US trade negotiations

India and the US operate at vastly different levels of economic development, influencing their respective tariff policies. As a developing economy, India relies on tariffs as a crucial tool for industrial growth, revenue generation, and protection of domestic industries. Conversely, as a developed economy, the US generally follows a low-tariff regime but aggressively negotiates tariff concessions from its trading partners under the pretext of "reciprocal trade."

India has historically maintained higher tariff rates compared to the US due to several reasons mentioned below:

- Customs duties form a significant part of India's tax revenue, unlike the US, which relies more on direct taxation (income tax and corporate tax).
- India uses tariffs to protect its developing manufacturing sector from foreign competition, especially in sensitive industries such as agriculture, electronics, and automobiles.
- Higher import tariffs are strategically used to promote domestic manufacturing under initiatives like production-linked incentive schemes and reduce dependency on foreign goods.
- Due to structural differences in wages, cost of capital, and industrial development, India's tariff structure cannot be directly compared to that of a high-income country like the US.

Thus, comparing tariff rates between the two countries is misleading, as it does not consider these fundamental economic differences. Given this inherent difference in tariff structures, negotiations between India and the US should not focus solely on equalising tariffs but on identifying the extent of tariff arbitrage acceptable to both parties. India and the US should identify sectors where tariff reductions provide a win-win. For example, India can lower duties on high-end US goods (such as medical devices, premium agricultural products, and energy exports). At the same time, the US should reduce tariffs or remove trade barriers on Indian exports (such as textiles, pharmaceuticals, and IT services).

Sector-wise impact

- **Pharmaceuticals:** The US is a major market for Indian pharmaceutical exports, valued at approximately USD 9 billion in the last fiscal year. Despite potential tariffs, the industry believes that Indian drugmakers will remain competitive due to cost advantages and existing manufacturing capacities. However, imposing a 25% tariff could challenge profit margins and market dynamics.
- **Agriculture and food products:** The US is a key market for Indian food exports, including vegetables and processed foods, and higher tariffs could hurt their competitiveness, reducing export volumes. While the US exports few agricultural products to India, it may raise tariffs on Indian agri-exports using an average-based approach. This could impact multiple Indian products, pressuring India to lower its tariffs or respond with retaliatory measures. In response to the United States' threat to impose reciprocal tariffs starting 2 April 2025, India is proactively seeking to revise its tariff policies on certain agricultural imports. This strategic move aims to avert potential trade tensions and enhance bilateral trade relations with the US. India has proposed lowering import duties on various US agricultural products, including almonds, cranberries, pistachios and lentils. These concessions are part of a broader strategy to secure a favourable trade agreement and avoid the impending reciprocal tariffs.
- **Textiles and apparel:** Higher US tariffs on Indian textiles and clothing could raise prices, reduce demand, and affect exports. This may impact revenue and employment in these labour-intensive industries.
- **IT:** Indian IT services, heavily reliant on US markets, could be affected if H-1B visa rules tighten under Trump's "America First" policy.
- **Steel and aluminum:** The US has imposed a 25% tariff on aluminum and steel in all other countries without exemption, which makes up less than 2% of India's exports. This could lead to increased dumping of cheaper steel in India by different countries.
- **Auto:** India has already reduced tariffs on several items, cutting high-end motorcycle duties from 50% to 30%. Budget 2025 further lowered tariffs on motorcycles and alcoholic beverages, with completely built units seeing a 10-20% reduction and semi/fully knocked-down units cut by 5%. If the US imposes reciprocal tariffs on Indian cars, they will become costlier and less competitive, impacting exports. Conversely, if India reduces tariffs on imports from the US, this could make foreign goods cheaper, potentially harming domestic industries and increasing diverted exports from other countries.
- **Alcohol:** India has already cut tariffs to 100% on bourbon whiskey from 150%. Similarly, import duties on wines were also reduced.
- **Other sectors:** Reducing duties for medical devices and electronics, including smartphones, gems and jewellery, chemicals, textiles, and seafood, are under discussion. Reviewing other sectors for energy imports and buying more defence equipment is also on the cards. Additionally, the government is considering eliminating the import tax on US LNG.

Economic implications

There is another view that tariffs may not do much harm to India, but India's economy will be adversely impacted by the global disturbance caused by Trump's tariffs.

- **A decline in bilateral trade:** The US is one of India's largest trading partners, with merchandise exports totaling nearly USD 74 billion in 2024. Introducing reciprocal tariffs could lead to an estimated annual loss of USD 7 billion in exports. When the US imposes a uniform 10% tariff hike, India's GDP growth could be affected by 50 to 60 basis points. In the past, trade tensions caused US-India trade to fall from USD 142 billion in 2018 to USD 119 billion in 2020. With the new tariffs, Indian exports in key sectors like textiles, leather, pharmaceuticals, and agriculture are expected to decline further.
- **Higher costs for Indian manufacturers:** The tariffs will increase production costs for Indian businesses dependent on US raw materials, particularly steel, aluminum, and high-end machinery. The Indian automotive and construction industries will see higher material costs, leading to increased prices and reduced competitiveness.
- **Supply chain disruptions:** Indian companies may look to alternative markets such as the EU, ASEAN, and Middle East to reduce dependence on the US. For example:
  - India has increased apple imports from Turkey and almonds from Australia to offset declining US imports.
  - The Indian government is exploring bilateral FTAs to facilitate trade with new partners.
  - Some Indian businesses may relocate production to Southeast Asia or Latin America to bypass US tariffs.
- **Currency stability:** While the tariffs introduce uncertainty, analysts suggest that the Indian rupee may not experience significant volatility solely due to these trade measures. The currency is projected to weaken gradually, reaching 88 per US dollar by mid-year and 89 by year-end.

Strategic responses

While Trump's reciprocal tariffs challenge India's export-driven sectors, strategic policy responses and industry resilience can play pivotal roles in mitigating adverse effects and sustaining economic growth. India has taken specific actions to tackle Trump's reciprocal tariff threat so far as under:

- **Tariff reduction:** India levies about a 45% import tariff on pork, which the US mainly supplies. Tariffs could also be reduced by 25% to 60% on high-end medical devices, such as pacemakers, and luxury motorcycles, including Harley Davidson. To address Trump's concerns over the trade imbalance, officials have also proposed buying more LNG and defence equipment from the US. India dropped retaliatory tariffs on US-made almonds, apples, chickpeas, lentils, and walnuts in 2023.
- **Industry adaptation:** Indian companies may need to reassess their supply chains, explore alternative markets, and enhance competitiveness through innovation and cost optimisation to navigate the challenges posed by the new tariff regime.
- **Broader deals:** Offering significant concessions, including production-linked incentives for shipping and support for logistics companies, may be considered[6].

Smart negotiations

While the reciprocal tariff policy created hurdles for India's exports, it also allowed India to recalibrate its trade strategy. If competing exporters face high tariffs while Indian exports receive concessions under a free trade agreement, India could gain a competitive edge in the American market.

The key to responding to such tariffs lies in balancing tariff rationalisation and securing better market access for Indian products. India has historically used tariffs to protect domestic industries and encourage local manufacturing. However, excessive tariffs can create trade friction and invite retaliatory measures.

Since India and the US operate at different economic levels, tariff negotiations should not be based on a simplistic tariff parity approach but instead on an acceptable level of arbitrage that allows India to protect its industries while securing greater market access. The key lies in cleverly structuring tariff adjustments, ensuring trade-offs that work for both sides, and focusing on reciprocal benefits beyond tariff reductions (such as investment flows, supply chain partnerships, and technology transfer).

The solution lies in selectively lowering tariffs in sectors that bring strategic advantages. Reducing tariffs on key US imports (e.g., high-end technology products or critical components for domestic manufacturing) can help ease tensions and encourage reciprocal reductions in US tariffs on Indian exports. Offering concessions in sectors where India has high-cost competitiveness, such as pharmaceuticals, IT services, and textiles, can negotiate better terms for Indian businesses.

6. as reported by Reuters

India should not unilaterally cut tariffs without securing tangible benefits in return. A negotiated approach should focus on:

- India should use tariff cuts as a bargaining tool to push for better market access in sectors where Indian production costs are significantly lower than the US, such as textiles, gems and jewellery, processed food, generic pharmaceuticals, and labour-intensive manufacturing.
- Seeking relaxation of US non-tariff barriers on Indian exports, such as stringent FDA approvals on pharmaceutical products or regulatory constraints on Indian IT firms.
- Ensuring reciprocal commitments from the US in areas such as services trade (especially visa policies for Indian IT professionals).
- In high-value sectors where India seeks technological growth, such as semiconductors, AI, and electric vehicles, lowering tariffs on US imports could help attract investment and joint ventures.

Thus, rather than viewing Trump's reciprocal tariffs as a setback, India should use them as leverage to demand better trade terms. By smartly linking tariff adjustments with greater market access and cost advantages, India can turn protectionist pressures into a strategic opportunity for expanding its global trade presence.

India's approach to reciprocation and bilateral engagements in the context of the US trade policy is distinct from that of other countries like China, Canada, and Europe. While many nations might adopt a more confrontational or defensive stance in response to reciprocal tariffs, India is actively pursuing a balanced and strategic approach to mitigate the impact of such tariffs while safeguarding its economic interests. India's response is characterised by a willingness to engage in constructive negotiations, seeking mutually beneficial trade agreements rather than escalating trade disputes. Unlike China, which has often resorted to aggressive retaliation and countermeasures in the past, or the European Union, which has focused on counter-tariffs, India is focused on enhancing the ease of doing business and improving the infrastructure for domestic manufacturers, rather than relying solely on increasing tariffs. Initiatives such as the Make in India and MOOWR are designed to boost the competitiveness of Indian goods, ensuring they meet international standards and are at par with the global market.

Officials from the Commerce and Industry Ministry have confirmed that India plans to engage with stakeholders to address and resolve all pending issues with the US as both nations work towards finalising a Bilateral Trade Agreement (BTA) by the end of the year. Prime Minister Narendra Modi is engaging in discussions with the United States to strengthen trade and business relations between the two countries. These talks aim to boost bilateral trade, with a particular focus on resolving tariff-related issues and enhancing economic cooperation. This initiative reflects India's ongoing efforts to foster closer ties with the US and create a more favourable environment for businesses on both sides

Under the ambitious 'Mission 500', India and the US aim to increase bilateral trade to USD 500 billion by 2030 by strengthening ties across various sectors. Both nations have committed to negotiating a BTA to boost market access, reduce tariff and non-tariff barriers, enhance supply chain integration, and resolve key trade issues.

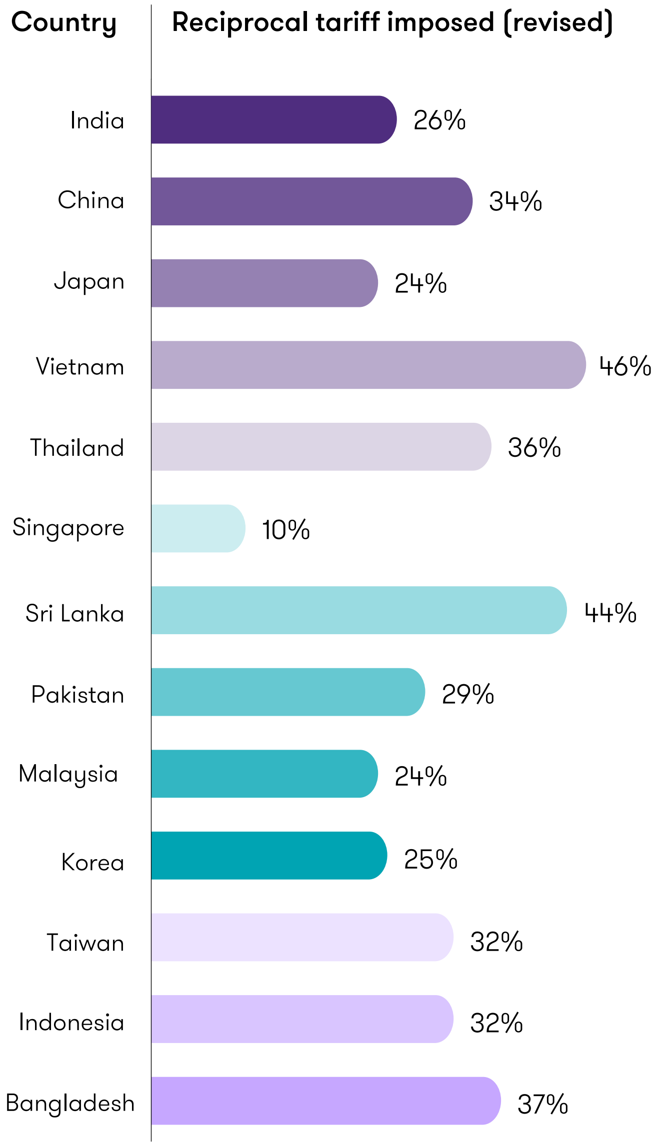
Reciprocal tariffs announced

As expected, Trump issued formal executive orders on 2 April 2025, invoking emergency powers under the IEEPA and the National Emergencies Act. These orders declared a national emergency arising from persistent US trade deficits. The order mentioned that the US will impose additional ad valorem tariffs on all articles imported into the US customs territory, including those from India.

Key changes:

- A baseline 10% ad valorem duty was to be imposed on all imports into the US from 5 April 2025;
- A list of 60 countries, including India, identified as major contributors to the US trade deficit, were to face higher, country-specific tariffs ranging from 10% to 50%, based on their own tariff and non-tariff barriers on the US goods, effective from 9 April 2025;
- Imports from India were subjected to a 26% duty (revised from the earlier 27%), as notified in **Annex I of the executive order;**
- Products excluded from the scope of these tariffs **(Annex II of the executive order)** include:
  - Pharmaceuticals,
  - Semiconductors,
  - Critical minerals,
  - Energy products,
  - Steel, aluminum, auto, and auto parts (as they are already under Section 232 duties),
  - All articles that may become subject to duties pursuant to future actions under Section 232 of the Trade Expansion Act of 1962[7].
- New tariffs were to come into effect in the following manner:
  - A 10% tariff on all imports begins at 12:01 am EDT, 5 April 2025.
  - Country-specific higher tariff rates take effect from 12:01 am EDT, 9 April 2025.
- Unless specifically exempted, the new ad valorem tariffs will apply over and above any existing duties, including MFN rates, anti-dumping duties, countervailing duties, and safeguard measures.

Reciprocal tariffs imposed on India's neighbouring countries (Annex I of the executive order):



Note: The new ad valorem tariffs will apply over and above any existing duties, including MFN rates, anti-dumping duties, countervailing duties, and safeguard measures unless specifically exempted.

7. of Trade Expansion Act of 1962 and proclaimed in Proclamation 9704 of March 8, 2018 (Adjusting Imports of Aluminum Into the United States), as amended, Proclamation 9705 of March 8, 2018 (Adjusting Imports of Steel Into the United States), as amended, and Proclamation 9980 of January 24, 2020 (Adjusting Imports of Derivative Aluminum Articles and Derivative Steel Articles Into the United States), as amended, Proclamation 10895 of February 10, 2025 (Adjusting Imports of Aluminum Into the United States), and Proclamation 10896 of February 10, 2025 (Adjusting Imports of Steel into the United States)

Reciprocal tariffs categories:

Reciprocal tariff category	Products/Sectors
Zero tariffs	• Copper, pharmaceuticals, semiconductors, lumber articles, certain critical minerals, and energy and energy products. • Imports from Canada and Mexico that qualify under the agreement between the USMCA, goods with 20%+ US content (only non-US content will be taxed). • Low-value shipments under USD 800, which mainly cover e-commerce orders.
25% tariffs	Aluminum, steel, automobiles, and auto parts

Implications for India

Opportunity for India

While the analysts project that the US tariffs could reduce India's GDP growth by approximately 20 to 40 basis points in Financial Year 2025-26[8], we believe that this would not have much impact on India due to the following reasons:

- The decision by the US to impose higher tariffs will increase the landed cost of imported goods, ultimately leading to higher prices for its consumers.
- Since the US relies on imports for certain products it does not manufacture domestically, these tariffs may put a downward pressure on consumption, as higher costs could dampen demand.
- Given the high labour costs in the US and limited large-scale manufacturing capacity in sectors like textiles, electronics, and certain agro-based products, consumers may have fewer alternatives, forcing them to either pay inflated prices or reduce consumption.
- This shift could disrupt supply chains and lead to a reset in the demand for specific product categories, potentially affecting India's export volumes.
- The imposition of higher reciprocal tariffs on several Asian and European nations, including China, Vietnam, Taiwan, Thailand, and Bangladesh, gives India a strategic opportunity to enhance its global trade and manufacturing position.

8. As reported by Reuters

Impact on key export sectors

Tariffs have jumped from 3.8% to 26%, making many Indian products uncompetitive in the US market, especially in price-sensitive categories.

Pharmaceuticals:

While this sector constitutes 14% of India's exports to the US, it has been largely spared from the new tariffs, mitigating potential adverse effects. This sector is currently subject to Section 232 duties, and so, it is exempt from the executive order. But tariff changes could be made soon.

Automobiles:

Automobiles are excluded from the new tariff orders, as they're already subject to the 25% Section 232 tariffs announced on 26 March 2025. India's USD 6.69 billion auto parts exports in 2023-24 formed a minor share of US imports, so the impact on Indian manufacturers is expected to be minimal.

Electronics:

With China and Vietnam facing tariffs of up to 54% and 46%, respectively, India's electronics industry, worth about USD 10 billion, is expected to experience limited damage due to the tariffs. This will give a further fillip to the government's USD 2.7 billion PLI scheme.

Agriculture:

India has maintained higher average tariffs on agricultural products—around 39%—compared to the US's 5%. This disparity has prompted the US to levy equivalent tariffs on Indian agricultural exports, potentially diminishing their competitiveness in the American market.

Gems and jewellery:

The US accounts for nearly USD 10 billion or 30.4% of India's annual gems and jewellery exports of USD 32 billion[9]. This sector faces a substantial increase in duties, potentially reducing its competitiveness in the US market.

9. As reported by Reuters

WTO implications

- The country-specific tariffs contradict the MFN principle under the WTO regulations.
- While India may challenge the tariffs at the WTO, the effectiveness of such a move remains uncertain due to issues with the WTO Appellate Body.

Reactions

- On 4 April 2025, China announced a 34% tariff on all US goods, effective 10 April 2025, in retaliation to Trump's recent tariffs on Chinese imports.
- The EU has announced plans to impose counter-tariffs on USD 26 billion (approximately USD 28.33 billion) worth of US goods in response to the recent tariffs by the US on steel and aluminum imports.
- While China and the EU have opposed Trump's tariffs outright, India is taking a strategic middle path, using the situation to push for favourable trade negotiations.
- India's approach is balancing tariff concessions with strategic negotiations.

Strategic next steps

For policymakers

- **Accelerate BTA negotiations:** Accelerate negotiations under the proposed BTA, leveraging the reciprocal tariff impact as a negotiation tool.
- **Prioritise tariff concessions:** Prioritise tariff concessions from the US in return for India's calibrated reductions on select high-value American exports (e.g., medical devices, LNG, and alcoholic beverages).
- **Incentives for impacted sectors:** Review impacted sectors and explore targeted support measures, including PLI for export-heavy industries. In addition, India can consider investing in domestic industries to improve competitiveness and reduce vulnerability to external trade policies.

For Indian businesses

- **Map tariff exposure:** Map tariff exposure across SKUs and prepare for increased compliance, including the documentation of US-origin content to potentially reduce tariff liability.
- **Re-assess contracts:** Re-assess contracts to address tariff pass-through clauses and explore mitigation through first sale rule, alternate routing, or FTA-driven realignment (e.g., via the UAE or Singapore).
- **Engage with export councils:** Stay closely engaged with export councils and trade chambers, making sector-specific representations before the US and Indian governments.

Way forward

The reciprocal tariffs represent a turning point in the US-India trade relations, requiring a strategic recalibration on both sides. This could catalyse deeper trade diversification, targeted FTAs, and enhance competitiveness for India. A balanced, proactive negotiation stance will turn the current challenge into a long-term opportunity for market realignment and strategic trade partnerships.

Strategic pause

In a significant shift from the earlier aggressive trade policy, Trump announced a pause on the implementation of additional reciprocal tariffs under his trade policy agenda. While maintaining high tariffs on Chinese imports, this recalibration signaled a strategic reconsideration amidst global supply chain challenges and evolving geopolitical priorities.

Key changes:

Trump launched a wave of protectionist measures aimed at reducing the US trade deficit and protecting domestic industries, including:

- Section 301 tariffs on over USD 370 billion worth of Chinese goods.
- Section 232 tariffs of 25% on steel and aluminium imports.
- Reciprocal tariffs, which sought to match tariffs imposed by other countries on US exports.

These measures were intended to level the playing field by using tariff asymmetries as leverage in trade negotiations.

The "Pause" Announcement: A tactical recalibration

On 9 April 2025, the US announced a 90-day suspension of its reciprocal tariffs for most countries, while raising tariffs on Chinese-origin imports to an unprecedented 145% ad valorem. China retaliated by hiking its tariff burden on American goods from 34% to 125%, marking a significant escalation in the US-China trade dispute.

However, on 7 July 2025, the Trump announced extension in the pause **until 1 August 2025.** The extension provides much-needed relief to Indian exporters and offers both governments additional time to resolve pending trade issues. It reflects a continued commitment by New Delhi and Washington to engage in constructive dialogue and work towards finalising an interim trade agreement.

Key highlights

- Most imports from countries other than China were subjected to a 10% ad valorem duty during the initial 90-day tariff pause.
- However, this relief did not apply to imports from China, which attracted a 145% duty, in addition to existing MFN tariffs.
- Steel and aluminium imports continued to face the Section 232 duties of 25% each.

The move aims to stabilise trade volatility and maintain key diplomatic and economic partnerships.

Opportunities for India

The continuation of high US tariffs on Chinese goods, combined with a pause on new reciprocal measures, opened a unique window for India as discussed below:

India's export opportunity amid China's tariff isolation

- The earlier imposition of a 125% tariff on Chinese goods presented a unique opportunity for Indian exporters to expand their footprint in the US market.
- India's exports to the US, which is currently around USD 85–90 billion annually, could see significant near-term acceleration given the cost disadvantage faced by Chinese competitors.
- Sectors such as electronics (particularly components and smartphones), garments and textiles, leather goods, and machinery are expected to benefit.
- India's tariff edge over China offered a cost advantage, but US buyers were pushing for discounts or duty absorption. Early signs showed rising enquiries and front-loaded orders, especially in electronics and apparel.

Supply chain realignment

- Indian firms can offer JVs, contract manufacturing, or split production across low-tariff zones to support US firms hit by tariffs.
- Chinese exporters are expected to redirect surplus inventory to alternative destinations, leading to a potential wave of dumping in third-country markets.
- India has to plan tighter anti-dumping checks in key sectors and take steps against becoming a rerouting hub for Chinese goods.

India's role as a manufacturing base, not a transit hub

- India cannot act as a tariff-evading hub for Chinese goods, as US rules bar transshipment without value addition, and CBP strictly enforces origin rules.
- Indian exporters have been advised not to engage in such practices, and Indian customs is reportedly enhancing scrutiny on inbound Chinese consignments.
- The only acceptable route is legitimate value addition — for instance, importing components from China and manufacturing final goods in India with sufficient local input to qualify as Indian-origin goods. This is a strategic opportunity for India to localise more value chains rather than act as a passive corridor for tariff circumvention.

Vietnam and Mexico: Alternatives to Chinese manufacturers

- Vietnam and Mexico have emerged as critical nodes in Chinese supply chain strategy. Both countries host Chinese-owned manufacturing units that serve US clients under more favourable tariff regimes.
- Vietnam, which initially faced a 46% tariff, reverted to a 10% rate during the initial 90 day pause. It offered to enforce stricter checks against transshipment to retain US trust.
- Mexico, under the USMCA framework, allows tariff-free exports to the US for goods that meet origin rules. Many Chinese electronics and automotive companies have established units in Mexico to leverage this. In 2023, Mexico surpassed China to become the largest exporter to the US, highlighting the growing significance of nearshoring.
- With Vietnam and Mexico at full capacity fulfilling demand diverted from China, India is eyeing trade deals to gain similar US market access.

India's pause strategy

- Leverage the pause to boost exports to the US
- Explore partnerships with US companies seeking resilient alternatives to China
- Re-assess contracts to address tariff pass-through clauses
- Promote recent PLI success stories across pharma, electronics, and textiles
- Position India as a responsible global trade partner while lobbying for fairer treatment under the US GSP like schemes.
- Participate in bilateral trade talks, especially under new frameworks such as IPEF and focus on fast tracking pending FTAs.
- By highlighting CAROTAR, India can demonstrate strong origin compliance mechanisms, building trust among advanced economies.
- India should look at early restart of the 5% Interest Equalisation Scheme (IES) and extension of RoDTEP and RoSCTL beyond September.

Way forward

The pause in reciprocal tariffs by Trump marks a pivotal moment in global trade dynamics. India stands to gain significantly — economically and geopolitically — as the pause gives businesses and the country vital space to stabilise supply chains and adapt operations, while also providing policymakers an opportunity to work towards more sustainable trade agreements.

Grant Thornton Bharat can play a catalytic role in helping Indian businesses navigate this complex landscape and seize the opportunity to become an integral part of reimagined global value chains.

03

US-China - Initial trade deal

Following years of punitive tariffs and intermittent talks, trade tensions between the US and China surged in early 2025. Citing trade imbalances and concerns over fentanyl, the US imposed sweeping new tariffs, reaching up to 145%, under emergency powers. China retaliated with matching tariffs of up to 125% and additional non-tariff barriers, effectively halting bilateral trade worth nearly USD 600 billion.

Amid growing economic and political pressure, both sides returned to the negotiating table in Geneva on 10-11 May 2025. The resulting joint statement outlined immediate tariff rollbacks and a renewed commitment to ongoing dialogue.

Key changes announced:

The US and China have formally concluded an initial trade deal in Geneva, announced on 12 May 2025, following months of heightened trade tensions. This development marks a significant, albeit temporary, de-escalation of the bilateral trade war that has disrupted global supply chains since 2018.

The deal introduces a 90-day tariff truce that came into force on 14 May 2025[1]. It establishes a bilateral dialogue mechanism and aims to restore market confidence while deferring the resolution of core structural issues.

Highlights of the deal:

- **Temporary tariff reduction:** The US will suspend 115 percentage points of additional tariffs on Chinese goods, reducing the duty rate from 145% to 30% for a period of 90 days (effective 14 May to **12 August 2025**). In parallel, China will reduce its retaliatory tariffs on US goods from 125% to 10% for the same period. The relief covers a broad spectrum of exports, including US agricultural products and manufactured goods, and is expected to facilitate renewed trade flows.
- **Non-tariff barriers:** China has agreed to lift certain non-tariff countermeasures introduced in April 2025, notably export restrictions on rare earth minerals and regulatory obstacles affecting US firms. The deal introduces a 90-day moratorium on new tariff actions, providing short-term certainty for global supply chains.
- **Sectors not covered by the truce:** Core security and technology-related tariffs, such as US Section 301 tariffs (7.5–25% on ~USD 370 billion of Chinese goods), Section 232 tariffs on steel and aluminium, and the 20% fentanyl-precursor tariff, remain entirely in effect. Existing Chinese retaliatory duties on US high-value goods and agricultural exports (imposed since 2018-19) remain essentially unchanged.
- **Dialogue mechanism:** The parties will establish a new bilateral forum for ongoing economic and trade discussions, co-chaired by China's Vice Premier He Lifeng and US Treasury Secretary Scott Bessent/USTR Jamieson Greer. This mechanism is intended to facilitate the resolution of remaining issues, with meetings alternating between countries or in third-country venues.

Our comments:

The May 2025 Geneva agreement between the US and China marks a key but temporary de-escalation in a major trade conflict. By partially reversing the April 2025 tariff hikes and reopening negotiations, it offers short-term relief to exporters, importers, and global markets, especially in agriculture, manufacturing, and consumer goods. The deal also suspends new tariffs and removes some non-tariff barriers, aiding trade normalisation.

However, many tariffs from earlier phases remain, particularly in tech and security-sensitive sectors. Key levies like the 20% fentanyl-precursor tariff and Section 301/232 duties are untouched, keeping costs high for affected firms.

The agreement includes a 90-day window for further progress. Suspended tariffs will return on 12 August 2025 without a follow-up deal, risking renewed tensions. Businesses should use this relief period strategically while preparing for multiple outcomes.

In essence, the deal pauses, not ends, the trade war. Its long-term impact hinges on the success of upcoming negotiations.

Although the tariff pause allows China to regroup and strengthen its domestic manufacturing and export sectors, it may intensify competitive pressure on Indian producers in international markets.

04

Court of International Trade invalidates Trump’s ‘Liberation Day’ tariffs

Summary

A three-judge panel of the US CIT has set aside the tariffs imposed by US President Donald Trump, invoking emergency powers under the IEEPA, as being illegal. The court has held that the IEEPA does not delegate unbounded authority to the President to impose tariffs on goods from virtually all countries. The regulation of foreign trade falls solely within the authority of the Congress and the President had overstepped constitutional limits by invoking emergency legislation to impose the tariffs. The court determined that the statutory language of the IEEPA, read considering constitutional principles, particularly the non-delegation and major questions doctrines, does not authorise the Executive to levy broad-based or unlimited tariffs in the absence of clear legislative standards.

Facts of the case

- This consolidated litigation involved two sets of plaintiffs: (i) various private importers and business entities (V.O.S. Selections, Inc., Genova Pipe, MicroKits, LLC, Fish USA Inc., Terry Precision Cycling LLC) and (ii) a coalition of 12 US states, challenging tariffs imposed by the President and implemented by the US Customs and Border Protection and related federal agencies.
- The US President, on 20 January 2025, declared national emergencies, targeting cartels and alleged threats at the southern and northern borders, and imposed "trafficking tariffs" on imports from Mexico, Canada, and China (with rates of 25% and later 20% for Chinese products).
- On 2 April 2025, a "Worldwide and Retaliatory Tariff" of 10% on all imports (with higher rates for certain countries) was imposed, purportedly to address persistent trade deficits and alleged economic threats.
- Plaintiffs alleged that the imposition of these tariffs exceeded the statutory authority granted by the IEEPA and contravened constitutional limitations, particularly as the Congress holds the exclusive power to "lay and collect taxes, duties, imposts and excises," and to "regulate commerce with foreign nations".
- Plaintiffs sought declaratory and injunctive relief, arguing both statutory overreach and constitutional violations.

Issues before the court

- Does the IEEPA confer authority upon the President to impose unlimited or broad-based tariffs on imports from virtually all countries without clear congressional standards?
- Does the imposition of the challenged tariffs, as a response to declared national emergencies, violate the non-delegation doctrine or constitute an unconstitutional transfer of legislative power?

Plaintiff's contentions

- The plaintiffs asserted that the language of the IEEPA—granting the President authority to "regulate . . . importation" of property in which a foreign country has an interest—does not, either expressly or by necessary implication, authorise the imposition of unlimited tariffs.
- They contended that such a broad reading would raise serious constitutional concerns and contravene the "intelligible principle" standard required for valid congressional delegations, citing past rulings[1].
- It was argued that an interpretation of the IEEPA permitting the President to unilaterally set tariffs without clear standards, limitations, or purposes would violate the non-delegation doctrine.
- They also invoked the major questions doctrine, contending that the decisions of "vast economic and political significance" (such as setting import tariffs on a worldwide basis) require explicit congressional authorisation[2].
- The present case is different from past instances like Yoshida II[3], emphasising that the challenged tariffs were of far greater scope and lacked the temporally and substantively limited characteristics upheld in prior precedents.
- They also highlighted procedural shortcomings, arguing that the tariffs were implemented without the findings, investigations, or public process required by other statutes (such as Section 301 of the Trade Act of 1974), and thus fell outside the permissible bounds of delegated power.
- Plaintiffs reaffirmed the Congress's exclusive constitutional role in setting tariffs and regulating commerce, arguing that the Executive's actions usurped this legislative function.

1. Mistretta v. United States, 488 U.S.361, 372 (1989) (quoting J.W. Hampton, Jr., & Co. v.United States, 276 U.S. 394, 409 (1928)).
2. West Virginia v. EPA, 597 U.S. 697, 721 (2022) (quoting FDA v. Brown & Williamson
3. United States v. Yoshida Int'l. Inc., 526 F.2d 560, 584 (C.C.P.A. 1975) ("Yoshida II")

Governments' contentions

- The government contended that the IEEPA's authorisation to "regulate . . . importation" is broad, as interpreted in Yoshida II and consistent with the Trading with the Enemy Act (TWEA), includes the power to impose tariffs in the context of a declared national emergency.
- The government maintained that the IEEPA's requirements—declaration of a national emergency, findings of "unusual and extraordinary threat," annual review, and limitation to property in which a foreign national has an interest constitute adequate limiting principles, ensuring that the delegation does not violate the non-delegation doctrine.
- The government cited historical examples where the Congress delegated substantial discretion to the President in the field of international trade, with courts generally upholding such delegations where the Congress retained oversight, and the Executive acted in furtherance of national security or emergency purposes.

Court's observations and ruling [Slip Op. 25-66. dated 28 May 2025]

- The court emphasised that the Constitution expressly vests the Congress with exclusive authority to impose tariffs and regulate foreign commerce. Delegation of tariff-setting power to the Executive is permissible only where the Congress provides clear and meaningful limitations[4].
- The court found that the IEEPA's delegation of authority to "regulate . . . importation" lacks substantive and procedural limits and could not be construed to confer unbounded tariff-imposing authority on the President.
- The court invoked both the non-delegation doctrine and the major questions doctrine, noting that such an interpretation would be constitutionally suspect, as the Congress must "speak clearly" when delegating decisions of vast economic and political significance.
- While prior cases such as Yoshida II[5] upheld specific emergency surcharges, the court distinguished the present tariffs as "unlimited," "broad-based," and not cabined by adequate standards or findings tailored to the declared emergency. Therefore, neither the statutory text nor the legislative history of the IEEPA supported the Executive's assertion of such vast powers.
- The court ruled that IEEPA powers are limited to addressing declared national emergencies, and the contested tariffs didn't qualify under that standard.
- The court held that the IEEPA authorities "may only be exercised to deal with an unusual and extraordinary threat with respect to which a national emergency has been declared and may not be exercised for any other purpose", and that the challenged tariffs did not meet this condition.
- The court granted summary judgment to the plaintiffs, set aside the challenged tariffs as ultra vires and not authorised under the IEEPA, and denied pending motions for preliminary injunction as moot.   Mistretta v. United States, 488 U.S.361, 372 (1989) (quoting J.W. Hampton, Jr., & Co. v. United States, 276 U.S. 394, 409 (1928)).

Our comments:

Just ahead of the 8 July deadline for reciprocal tariffs and a potential interim trade deal with the US, a major legal twist has altered the equation. The US Court of International Trade ruled that President Trump exceeded his IEEPA authority in imposing certain tariffs, striking down key parts of the "Liberation Day" tariff orders. Tariffs on steel, aluminum, and auto parts stay intact under other laws, but the decision reduces pressure on India to negotiate under tariff threats.

With reciprocal tariff concessions now off the table, India is in a stronger position to push for better market access and revisit its stance on sensitive issues like data localisation. For US businesses and consumers, the ruling may offer relief from tariff-driven costs, though industries previously shielded by these duties could face renewed competition.

This decision marks a significant legal precedent reinforcing that tariff powers lie with the Congress, not the President, and curbing future unilateral actions under the IEEPA. It also sends a strong message globally, potentially encouraging trade partners to challenge US tariff actions through the WTO or other legal avenues.

The US government is appealing the ruling, which may reach the Supreme Court. Meanwhile, the court has given the administration 10 days to revise the tariff orders. Though the tariffs are suspended during the appeal, customs officials are still collecting duties under current guidelines.

All major economies are in discussions with the US on tariff matters. Although each country operates under its own legal framework for trade and tariffs, none possess executive powers as expansive as those historically exercised by the US. Notably, the US remains the only country to have imposed reciprocal tariffs of this scale, with others opting for dialogue over retaliation.

4. Mistretta v. United States, 488 U.S.361, 372 (1989) (quoting J.W. Hampton, Jr., & Co. v.United States, 276 U.S. 394, 409 (1928))

05

US Court of Appeals grants stay; Trump’s tariffs temporarily reinstated

The US CIT, vide its order dated 28 May 2025, had struck down tariffs imposed by US President Donald Trump invoking emergency powers under the IEEPA. A three-judge panel determined that the IEEPA does not confer unrestricted authority on the President to unilaterally impose tariffs on imports from nearly all countries. The court held that such broad trade regulation falls squarely within the legislative powers of the Congress. Interpreting the statute in light of constitutional doctrines—specifically the non-delegation and major questions doctrines—the judges concluded that the Executive Branch exceeded its constitutional bounds by invoking emergency powers without clear statutory limits to justify the tariffs.

Following the CIT's decision, the US government filed an appeal and requested a stay of the judgement and injunction.

On 29 May 2025, the United States Court of Appeals for the Federal Circuit issued a non-precedential order temporarily staying the CIT's ruling and associated injunction. This administrative stay preserves the tariffs' effect while the appellate court considers the government's request for a full stay pending the outcome of the appeal.

The court directed that one set of briefs be submitted for both appeals. Plaintiffs (appellees) have been granted time till 5 June 2025 to file responses to the stay motion, and the government is allowed to file a consolidated reply by 9 June 2025.

This procedural development means that the contested tariffs remain in effect temporarily, pending further judicial review.

Our comments:

The stay postpones the enforcement of a lower court's ruling, which could have widespread repercussions for the limits of presidential authority under emergency statutes like the IEEPA. The stay avoids immediate trade flow and market pricing disruption, especially for import-dependent businesses that would have otherwise benefited from the tariff rollback.

Many companies that had planned to adjust supply chains or pricing structures in response to the CIT decision now face renewed uncertainty, potentially delaying investment and procurement decisions.

The stay underscores the ongoing tension between expansive executive action in trade policy and the constitutional requirement for clear legislative mandates. If upheld on appeal, the CIT's ruling could mark a significant reining in of presidential discretion under emergency powers.

For now, the temporary stay reinforces that Trump's "Liberation Day" duties shall remain in effect. While this development temporarily bolsters the White House's stance, legal experts foresee an extended court battle ahead. If the appeal is ultimately unsuccessful, the Trump administration will likely explore other legal avenues.

06

How Grant Thornton Bharat can help:

Navigating the impact of US reciprocal tariffs

How we can help

Impact assessment

- Impact assessment vis-a-vis comparison with the impact on alternate sourcing by the US buyer
- Immediate, medium- and long-term assessment
- Assessment of the impact of 90 days pause and tariff war between the US and China

Immediate advisory

- Explore maximisation of supplies in the 90-day window
- Negotiation with buyers and suppliers
- Resources management
- Identifying alternative destination markets to China
- Value addition

Supply chain restructuring

- Exploring and facilitating setting up manufacturing in the US and/or lower tariff zones, including a tie-up with the contract manufacturers
- Facilitating setting up facilities for companies planning to come to India from higher tariff zones like China and Vietnam

Market diversification and re-alignment

- Country-specific feasibility studies considering the changed circumstances
- Tax and trade insights for entering non-US markets
- Strategic support for shifting or expanding supply chains globally

Regulatory representation support

- CAROTAR norms and compliances
- Assistance related to anti-dumping/ safeguard duty-related proceedings across the globe
- End-to-end support towards setting up facilities across the globe
- Policy advocacy

Strategic trade and tax planning

- Long-term planning to manage exposure to trade policy risks
- Scenario planning and sensitivity analysis for pricing models
- Integration of tariff changes into overall tax and compliance strategy

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An experienced team, with over 100 years of domain expertise in international tax and trade advisory.

02

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04

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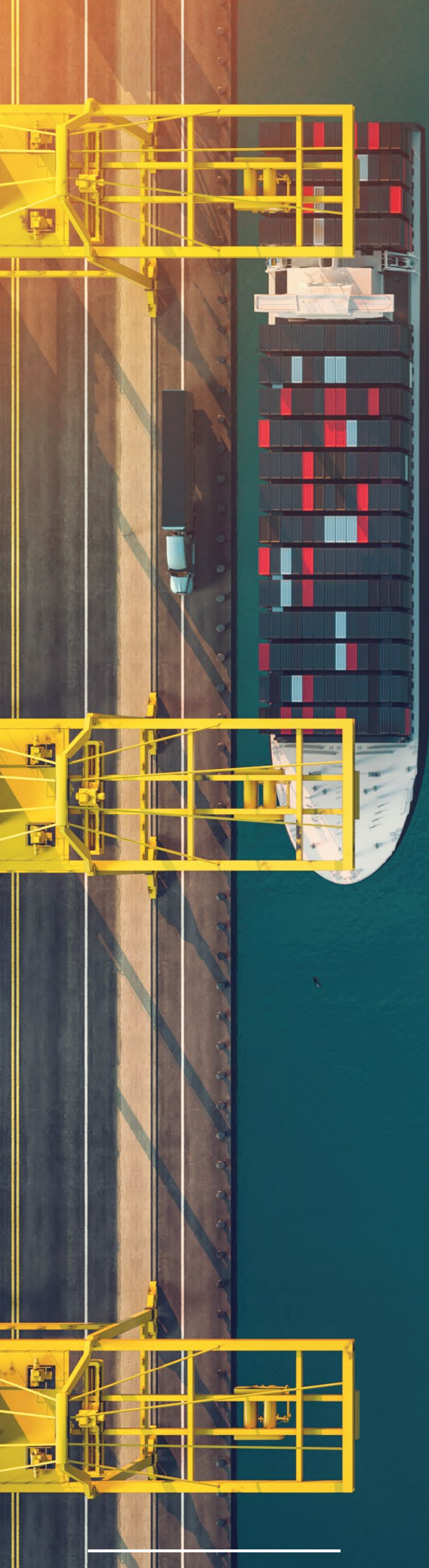

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Glossary

BEA	Bureau of Economic Analysis
BRICS	Brazil, Russia, India, China, South Africa, Egypt, Ethiopia, Indonesia, Iran and the United Arab Emirates
BTA	Bilateral Trade Agreement
CAROTAR	Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020
CIT	Court of International Trade
EU	European Union
FTA	Free Trade Agreement
GSP	Generalised System of Preferences
IEEPA	International Emergency Economic Powers Act of 1977
IPEF	Indo-Pacific Economic Framework
IT	Information Technology
LNG	Liquefied Natural Gas
MFN	Most Favoured Nations
MNC	Multinational Companies
PLI	Production-Linked Incentive
RoDTEP	Remission of Duties and Taxes on Exported Products
RoSCTL	Rebate of State and Central Taxes and Levies
SKU	Semi Knocked down units
US	United States of America
USD	US Dollar
USMCA	United States of America, United Mexican States, and Canada
USTR	United States Trade Representative
WTO	World Trade Organisation

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