



Five key takeaways from Modi-Trump talks



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Trump announced expanded US military sales to India from 2025, including F-35 jets, along with increased oil and gas exports to narrow the trade deficit. Both sides agreed to negotiate a trade deal and finalise a new defence framework.

Overall, both sides seem comfortable continuing Biden-era collaborations, particularly in tech and defence, though many will be rebranded under Trump. "Still, major challenges lie ahead. Here are the key takeaways: Modi's visit came as Trump ordered that US trading partners should face reciprocal tariffs - tit-for-tat import taxes to match similar duties already charged by those countries on American exports. He ordered advisers to draft broad new tariffs on US trade partners, warning they could take effect by 1 April.

India enjoys a trade surplus with the US, its top trading partner. India cut average tariffs from 13% to 11% in its federal budget in a bid to pre-empt Trump's tariff moves. The jury is out on whether India appears to have dodged tariff shocks for now.

Ajay Srivastava, founder of the Delhi-based think tank Global Trade Research Institute (GTRI), says he doesn't see any "problems with tariffs" The main reason, he says, is that 75% of the US exports to India attract import taxes of less than 5%.