

10 January - 16 January 2026

Trade Updates

India's trade deficit widens to to $25.04 billion in December after five-month low in November
India's merchandise trade deficit widened slightly to $25.04 billion in December, reversing November's decline when it had fallen to a five-month low, government data showed. Economists had forecast India's December trade deficit at $27 billion, according to a Reuters poll, up from $24.53 billion in November.
https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-trade-deficit-widens-to-to-25-04-billion-in-december-after-five-month-low-in-november/articleshow/126541702.cms

Free Trade Agreements

India, EU aim to have FTA ready ahead of leaders' meet on Jan 27: Commerce secretary
India is close to signing a long-coveted trade deal with the European Union this month, trade secretary Rajesh Agrawal said on Thursday, in what would be the South Asian nation's largest pact yet as it chases new markets amid US tariff pressure. Agrawal said the two sides were "very close" to finalising the agreement and were exploring whether it could be wrapped up before leaders from both sides meet in New Delhi this month.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-eu-trade-deal-indias-trade-deal-with-european-union-close-commerce-secretary-says/articleshow/126543257.cms

India-US talks on 'virtually', trade deal near finish line
India and the US are very close to a trade agreement, which will materialise when both sides are ready, commerce secretary Rajesh Agrawal said Thursday but stopped short of specifying a deadline. He told reporters that the negotiating teams are talking "virtually" and the discussions had never broken down. In the last week of December, commerce and industry minister Piyush Goyal had a virtual meeting with US trade representative Jamieson Greer.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-us-talks-on-virtually-trade-deal-near-finish-line/articleshow/126552595.cms

India, Canada working to finalise scope for bilateral trade pact: Commerce Secretary
India and Canada are engaged in finalising the terms of reference (ToR) to formally start negotiations for a free trade agreement (FTA), Commerce Secretary Rajesh Agrawal said on Thursday. The two countries were earlier negotiating a trade pact but it was paused by Canada in 2023. Now they have decided to resume talks from the beginning as lot has changed on the global trade front during these two years.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-canada-working-to-finalise-scope-for-bilateral-trade-pact-commerce-secretary/articleshow/126547597.cms

Bilateral Trade

India's exports to China surges 67.35% in December: Commerce Ministry data
India's exports to China jumped 67.35 per cent to USD 2.04 billion in December last year due to an increase in shipments of various products like electronics and marine, according to Commerce Ministry data. The export increase was driven by several products, such as oil meals, marine products, telecom instruments and spices. Imports from Beijing also rose by 20 per cent to USD 11.7 billion during the month under review, data showed.
https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-exports-to-china-surges-67-35-in-december-commerce-ministry-data/articleshow/126548343.cms

India, Israel see eye to eye on true vision for sustainable food security: Minister
Israel's Minister of Agriculture and Food Security, Avi Dichter, has said that his country and India share a "true vision for sustainable food security" as both plan to expand their partnership in land-based agriculture to water agriculture. Dichter was referring to a Letter of Intent (LoI) signed on Wednesday by India and Israel to deepen cooperation between the two countries in the fields of agriculture, fisheries, and the blue economy as he said the signing marks a significant step in expanding professional relations between the two countries.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-israel-see-eye-to-eye-on-true-vision-for-sustainable-food-security-minister/articleshow/126543715.cms

Hong Kong emerges key market for India's high-value exports
Hong Kong has emerged as a key destination for India's high-value exports such as silver jewellery, electronics and processed stones with shipments growing $955 million year-on-year in April-November FY26 to $4.97 billion.
https://economictimes.indiatimes.com/news/economy/foreign-trade/hong-kong-emerges-key-market-for-indias-high-value-exports/articleshow/126533219.cms

India, Germany sign telecom pact as PM Modi–Chancellor Merz push for digital cooperation
India and Germany on Friday signed a Joint Declaration of Intent (JDI) on Telecommunications Cooperation, laying the groundwork for deeper collaboration in emerging digital technologies, policy frameworks and manufacturing in the telecom and information and communication technology (ICT) sectors. The agreement was one of the key outcomes of engagements between Prime Minister Narendra Modi and German Federal Chancellor Friedrich Merz during the latter's official visit to India from January 12 to 13, the government said in a press release on Friday.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-germany-sign-telecom-pact-as-pm-modichancellor-merz-push-for-digital-cooperation/articleshow/126561918.cms

India, US discuss trade, minerals, defence & energy in latest talks between Jaishankar and Rubio
External affairs minister S Jaishankar on Tuesday said he spoke with US secretary of state Marco Rubio, during which the two discussed trade, critical minerals, nuclear cooperation, defence and energy. Describing it as a "good conversation" in his post on X, Jaishankar said the two leaders discussed the five areas listed and agreed to maintain ongoing contact.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-us-discuss-trade-minerals-defence-energy-in-latest-talks-between-jaishankar-and-rubio/articleshow/126509678.cms

India's Russian oil imports likely to dip again, stranding cargoes at sea
India's buying of Russian crude is likely to stabilize or even decline this month, leaving more cargoes from the OPEC+ producer stranded and pushing the world's third-largest oil importer to look to pricier alternatives. Ship-tracking data and people familiar with the matter point to a dip that would come after imports fell in December to a three-year low. That was a third below their peak in June.
https://www.business-standard.com/economy/news/india-s-russian-oil-imports-likely-to-dip-again-stranding-cargoes-at-sea-126011500434_1.html

India and France co-chair strategic dialogue on defence, technology, nuclear ties
India and France co-chaired a key strategic dialogue here on Tuesday as the two sides explored opportunities for joint development and collaboration in the spirit of Make in India and Aatmanirbhar Bharat, according to the Ministry of External Affairs. The two countries discussed ongoing bilateral initiatives spanning the domains

of security, defence, technology, space, and civil nuclear cooperation, it said. National Security Adviser Ajit Doval and Diplomatic Adviser to the President of the Republic of France, Emmanuel Bonne, co-chaired the 38th India-France Strategic Dialogue.
https://www.thehindubusinessline.com/news/india-and-france-co-chair-strategic-dialogue-on-defence-technology-nuclear-ties/article70507878.ece

Iran unrest hits Indian basmati rice exports, industry body says
Civil unrest in Iran has started impacting India's basmati rice exports to the country, leading to a sharp fall in domestic prices, as exporters face payment delays and mounting uncertainties, an industry body said on Tuesday. The Indian Rice Exporters Federation (IREF) urged exporters to reassess risks on Iranian contracts and adopt secured payment mechanisms, warning against over-leveraging inventories meant for the Iranian market.
https://economictimes.indiatimes.com/news/economy/foreign-trade/iran-unrest-hits-indian-basmati-rice-exports-industry-body-says/articleshow/126499584.cms

Iran unrest rattles dry fruits trade, fresh produce holds firm
Indian importers of fresh fruits such as apples, cherries and kiwis are not overly concerned about any possible disruption to trade with Iran. However, the dry fruits industry is apprehensive about a potentially greater impact following US President Donald Trump's recent threat to impose a 25 per cent duty on countries that continue trading with Iran.
https://www.thehindubusinessline.com/economy/agri-business/iran-unrest-rattles-dry-fruits-trade-fresh-produce-holds-firm/article70510327.ece

Sectoral Updates

Spice exporters may face heat from China chillies
China has started growing and exporting cumin and chillies, two of India's core spice exports, often with lower price tags. The development could challenge India's dominance as the world's biggest spice supplier, said industry executives. The Chinese spices are cheaper even when the produce is first imported from India and processed locally, they said.
https://economictimes.indiatimes.com/news/economy/foreign-trade/spice-exporters-may-face-heat-from-china-chillies/articleshow/126511647.cms

Textiles & apparel exports fall in first three quarters of FY26
Cumulative export of textiles and apparels during the first three quarters of FY26 fell 0.26% compared with the nine-month period in FY25, shows an analysis of government data. Decline in overall textile and apparel shipments was led by a 2.19% fall in export of textiles during April-December 2025 over the previous year, even as apparel exports registered a growth of 2.36% during the same period, showed the analysis by the Confederation of Indian Textile Industries (CITI).
https://economictimes.indiatimes.com/news/economy/foreign-trade/textiles-apparel-exports-fall-in-first-three-quarters-of-fy26/articleshow/126550824.cms

UK & EU apparel brands begin sourcing talks with Indian companies
UK and European apparel brands, including Marks & Spencer, Primark and Next, have started negotiations with Indian suppliers as the India-UK and India-EU free trade agreement talks move closer to ratification. Buyers are intensifying factory audits and evaluations in hubs such as Tiruppur in Tamil Nadu, with plans to start or expand sourcing from India amid supply-chain uncertainties in Bangladesh and in anticipation of lower tariffs under the FTAs, said exporters.
https://economictimes.indiatimes.com/news/economy/foreign-trade/uk-eu-apparel-brands-begin-sourcing-talks-with-indian-companies/articleshow/126491093.cms

India's December quarter cotton imports jump amid duty-free import push
India's cotton imports rose 158% year on year to a record 3.1 million bales in the December quarter after New Delhi allowed duty-free imports, boosting overseas purchases, a leading industry body said on Wednesday. Higher imports by the world's second-largest cotton producer are expected to support global prices, but they could weigh on local prices, which had been rising due to crop damage.

https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-december-quarter-cotton-imports-jump-amid-duty-free-import-push/articleshow/126523818.cms

GJEPC seeks duty cuts and policy reforms to boost gem and jewellery exports
The Gem & Jewellery Export Promotion Council (GJEPC) has sought duty rationalisation, SEZ reforms, customs simplification, tax reforms for exporters, support for lab-grown diamonds, and measures to position India as a global diamond trading hub in its pre-budget recommendations submitted to the Union finance minister Nirmala Sitharaman.
https://economictimes.indiatimes.com/news/economy/foreign-trade/gjepc-seeks-duty-cuts-and-policy-reforms-to-boost-gem-and-jewellery-exports/articleshow/126522917.cms

Smartphone exports may have topped $30 billion in 2025 on PLI push
In a record-breaking showing, smartphone exports from India — driven by the production-linked incentive (PLI) scheme — are likely to have reached $30 billion over the 12 months from January to December 2025, accounting for 38 per cent of the country's total smartphone exports over the past five years since 2021. Between 2021 and 2025, India's smartphone exports reached nearly $80 billion ($79.03 billion), with the latest year delivering the highest exports recorded in any 12-month period.
https://www.business-standard.com/economy/news/smartphone-exports-may-have-topped-30-billion-in-2025-on-pli-push-126011400863_1.html

India's December vegetable oil imports rise 8 pc: SEA data
India's vegetable oil imports rose eight per cent to 13.83 lakh tonnes in December 2025, the second month of the 2025-26 oil year, from the year-ago period, on a sharp rise in soyabean oil and sunflower oil shipments, industry body SEA said on Tuesday. The world's biggest vegetable oil importer had bought 12.75 lakh tonnes, including edible and non-edible oils, in December 2024.
https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-december-vegetable-oil-imports-rise-8-pc-sea-data/articleshow/126501509.cms

Record domestic coal output helps India save nearly $8 bn in imports
India saved nearly $8 billion in foreign exchange in FY25 as coal imports declined sharply on the back of strong domestic production and high stock levels at power plants, according to the coal ministry's year-end review. The easing of supply pressure was supported by record coal production, which rose to 1,047.5 million tonnes in FY25, a 4.98 per cent increase over the previous year.
https://www.business-standard.com/industry/news/record-domestic-coal-output-helps-india-save-nearly-8-bn-in-imports-126011201190_1.html

State Updates

Maharashtra topples Tamil Nadu to become the No.1 export-ready state of India
Maharashtra, Tamil Nadu, Gujarat, Uttar Pradesh and Andhra Pradesh have emerged as the top five export ready states of India, among the large states category, in the NITI Aayog's Export Preparedness Index 2024. As per the index, released on Wednesday, Maharashtra toppled Tamil Nadu to become the Number 1 in 2024 ranking which takes into account performance during FY '22-F'Y24 when compared to EPI 2022 whenTamil Nadu stood at Number 1 followed by Maharashtra, Karnataka, Gujarat and Haryana.
https://economictimes.indiatimes.com/news/economy/foreign-trade/maharashtra-topples-tamil-nadu-to-become-the-no-1-export-ready-state-of-india/articleshow/126521537.cms

Telangana govt to promote $3 trillion economy goal at WEF Davos 2026
Telangana Chief Minister A. Revanth Reddy on Friday said the state government will aggressively promote the Telangana Rising 2047 vision and its ambitious goal of building a $3 trillion economy at the World Economic Forum (WEF) Annual Meeting in Davos in 2026. The WEF annual meeting, with the theme 'A Spirit of Dialogue', is set to be held between 19-23 January 2026.
https://economictimes.indiatimes.com/news/economy/foreign-trade/telangana-govt-to-promote-3-trillion-economy-goal-at-wef-davos-2026/articleshow/126446633.cms

Trade powerhouse Gujarat's record slips over petroleum product exports
Gujarat climbed the ranks to become India's third-best "export-prepared state", after Maharashtra and Tamil Nadu, according to a NITI Aayog report for 2024. But Gujarat's improved readiness faces a challenge: a two-year decline in exports starting in FY24. Maharashtra was the country's leading export state until FY20, with Gujarat ranking second; however, starting in FY21, these positions flipped. In FY22, Gujarat's exports more than doubled to $124.41 billion — up from $60.59 billion the previous year — driven largely by a surge in petroleum product shipments.
https://www.business-standard.com/economy/news/trade-powerhouse-gujarat-s-record-slips-over-petroleum-product-exports-126011600387_1.html

Chhattisgarh extends mandi fee exemption on rice exports for another year
Chhattisgarh Chief Minister Vishnu Deo Sai on Saturday announced that the exemption on mandi (market) fee for rice exporters will be extended for another year, a move aimed at boosting rice exports in the state. Addressing the second edition of the India International Rice Summit at a private resort here, Sai said the extension would be significant for exporters and farmers, and strengthen Chhattisgarh's position in the global rice market, a government statement said.
https://www.business-standard.com/industry/agriculture/chhattisgarh-extends-mandi-fee-exemption-on-rice-exports-for-another-year-126011000581_1.html

Uttar Pradesh govt ramps up ecommerce push to boost MSMEs and exports
Uttar Pradesh is ramping up its ecommerce push to help the micro, small and medium enterprises (MSMEs) overcome market barriers and become internationally competitive. The state government is tying up with ecommerce majors and online marketplaces to strengthen the MSME sector, which consists of more than 9 million units spread across 75 districts. Under the roadmap, entrepreneurs will be offered free training to help them engage seamlessly in domestic and cross-border ecommerce.
https://www.business-standard.com/industry/news/uttar-pradesh-govt-ramps-up-ecommerce-push-to-boost-msmes-and-exports-126011201032_1.html

Global Trade

EV boom drives 21% surge in China car exports, but domestic demand slows
China's auto exports surged 21 per cent in 2025, driven by rising shipments of electric vehicles, while domestic demand slowed, an industry association said Wednesday. As Chinese automakers expanded further into overseas markets, exports of new energy vehicles such as EVs and plug-in hybrids doubled from the previous year to 2.6 million units, according to the China Association of Automobile Manufacturers.
https://www.business-standard.com/world-news/ev-boom-drives-21-surge-in-china-car-exports-but-domestic-demand-slows-126011400617_1.html

US and Taiwan reach trade deal, with semiconductor chips and China in focus
The U.S. and Taiwan clinched a trade deal on Thursday that cuts tariffs on many of the semiconductor powerhouse's exports, directs new investments in the U.S. technology industry and risks infuriating China. The deal deepens the Trump administration's ties with Taipei at a critical time as China ratchets up pressure on the island, which it views as its own, and Washington has worked to avoid an all-out trade war with Beijing.
https://www.reuters.com/world/china/us-taiwan-reach-trade-deal-focused-semiconductors-commerce-department-says-2026-01-15/

China and Canada announce tariffs relief after a high-stakes meeting between Carney and Xi
Chinese leader Xi Jinping and Canadian PM Mark Carney have announced lower tariffs, signalling a reset in their countries' relationship after a key meeting in Beijing. China is expected to lower levies on Canadian canola oil from 85% to 15% by 1 March, while Ottawa has agreed to tax Chinese electric vehicles at the most-favoured-nation rate, 6.1%, Carney told reporters.
https://www.bbc.com/news/articles/cy59pvkqvl5o

Other Key Coverages

India overhauls customs duty rules to help exporters and smaller businesses
The Indian government today notified a major change in customs rules to help smaller businesses and exporters find it easier to claim duty benefits. The government has overhauled customs rules to put exports sent by post at par with regular cargo exports, making it easier for exporters and smaller businesses to claim incentives such as duty drawback, Remission of Duties and Taxes on Exported Products (RoDTEP) and Remission of State and Central Taxes and Levies (RoSCTL) schemes.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-overhauls-customs-duty-rules-to-help-exporters-and-smaller-businesses/articleshow/126556909.cms

Expecting India's 2025-26 overall exports to touch USD 850 billion: Commerce Secretary
India is on track to cross USD 850 billion in total exports for the current financial year (FY 2025-26), driven by steady performance in both merchandise and services despite a challenging global economic climate. Commerce Secretary Rajesh Agrawal told reporters on Thursday that he is confident of India's trade trajectory. "We are going to cross USD 850 billion of export in the current financial year. There has been a positive movement in our export growth. We have maintained the positive territory."
https://economictimes.indiatimes.com/news/economy/foreign-trade/expecting-indias-2025-26-overall-exports-to-touch-usd-850-billion-commerce-secretary/articleshow/126550450.cms

Awaiting clarity on US' proposed Iran-related tariffs: Commerce Secretary
India on Thursday said its exports to Iran are largely humanitarian and it will wait for the US executive order on the 25 per cent tariff announced by President Donald Trump on countries doing business with Tehran to assess its implications. Trump, in a social media post on Monday, said "effective immediately", any country doing business with Iran will pay a tariff of 25 per cent on any and all business being done with the US.
https://economictimes.indiatimes.com/news/economy/foreign-trade/awaiting-clarity-on-us-proposed-iran-related-tariffs-commerce-secretary/articleshow/126547531.cms

India unfazed as US slaps 25% tariff on countries trading with Iran
US President Donald Trump announced a 25% tariff on any country trading with Iran to mount “pressure” on Tehran, which is facing anti-government protests. The move though may have only limited impact on India’s overall trade. While India and Iran have been long-time trading partners, an official said India’s exports are compliant with American sanctions. “Most are of humanitarian nature. We are waiting for details from the US on how these sanctions will work,” the official said.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-unfazed-as-us-slaps-25-tariff-on-countries-trading-with-iran-sees-minimal-impact-due-to-limited-trade-with-tehran-since-2019/articleshow/126511966.cms

US tariff pressures push British Columbia to boost India trade
India and British Columbia have a shared interest in energy such as liquefied natural gas and hydrogen, life sciences and critical minerals including copper and nickel, said the Canadian province's premier David Eby. Eby, who is leading a trade mission to India from January 12-17, told ET in an interview that the province is trying to develop more opportunities with India to diversify trade, which has been hit by the US tariffs.
https://economictimes.indiatimes.com/news/economy/foreign-trade/us-tariff-pressures-push-british-columbia-to-boost-india-trade/articleshow/126491698.cms

Spain, Germany, Belgium, Poland emerging as key export destinations for India within EU
Spain, Germany, Belgium, and Poland are emerging as stable and key export destinations for Indian goods within the 27-nation European Union bloc, according to the commerce ministry data. The data showed that Spain stands out as a high-growth European market for Indian exports. Exports to Spain rose by over 56 per cent during April-November this fiscal to USD 4.7 billion from USD 3 billion in the same period of the previous financial year.
https://economictimes.indiatimes.com/news/economy/foreign-trade/spain-germany-belgium-poland-emerging-as-key-export-destinations-for-india-within-eu/articleshow/126463586.cms

India looks at 'graded' opening of economy to China, easing curbs
A carefully "graded" opening up of the Indian economy to China is under consideration at the highest levels of government, with any easing contingent on calibrated give-and-take by Beijing, The Indian Express has learned. The discussion comes amid the rapidly shifting global trade landscape and the looming threat of heightened US tariffs.
https://indianexpress.com/article/business/india-looks-at-graded-opening-of-economy-to-china-easing-curbs-10466744/lite/

Notifications by CBIC

Postal Export(Electronic Declaration and Processing) Amendment Regulations, 2026
https://taxinformation.cbic.gov.in/view-pdf/1010555/ENG/Notifications

Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver- Reg.
https://taxinformation.cbic.gov.in/view-pdf/1010554/ENG/Notifications

Amendment in notification No. 25/2023 – Customs (N. T) dated 1st April, 2023
https://taxinformation.cbic.gov.in/view-pdf/1010553/ENG/Notifications

Amendment in Notification No. 24/2023 – Customs (N. T) dated 1st April 2023
https://taxinformation.cbic.gov.in/view-pdf/1010552/ENG/Notifications

The Customs and Central Excise Duties Drawback (Amendment) Rules, 2026.
https://taxinformation.cbic.gov.in/view-pdf/1010551/ENG/Notifications

Notification of Bhogapuram International Airport u/s. 7(1)(a) of Customs Act, 1962" and it was issued under Section 7(1)(a) of Customs Act, 1962.
https://taxinformation.cbic.gov.in/view-pdf/1010550/ENG/Notifications

Fixation of Tariff Value for Edible Oils, Brass Scrap, Areca Nut, Gold and Silver
https://taxinformation.cbic.gov.in/view-pdf/1010549/ENG/Notifications