

31 January - 6 February 2026

Union Budget 2026-27

Union Budget 2026-27: Centre lowers funding for major export schemes
Union Budget 2026-27 saw reduction in spending on some key export boosting schemes, at a time when exporters are grappling with geopolitical uncertainties, including protectionist policies implemented by the United States (US). The allocation for the commerce department's key Remission of Duties and Taxes on Export Products (RoDTEP) scheme has been slashed by 45 per cent to ₹10,000 crore for FY27, Budget documents showed. The government had allocated ₹18,233 crore for the current financial year.
https://www.business-standard.com/budget/news/budget-2026-govt-lowers-funding-for-key-export-boosting-schemes-126020201188_1.html

Union Budget 2026: Sitharaman proposes to make your foreign goods orders cheaper
The Union Budget 2026-27 proposed a sharp rationalisation of the customs duty structure, with Finance Minister Nirmala Sitharaman announcing a reduction in the tariff rate on all dutiable goods imported for personal use from to 10% from 20%. Sitharaman said the move is aimed at simplifying the duty framework and easing the burden on individuals importing goods for personal use.
https://economictimes.indiatimes.com/news/economy/foreign-trade/union-budget-2026-sitharaman-customs-duty-import-tax-on-personal-items-cut-to-10/articleshow/127836028.cms

Union Budget 2026: Duty free import of processing inputs to boost export of value-added seafood
India's seafood exports are set to see more value-added products. A threefold increase in duty-free import limits for processing inputs will lower production costs. This move aims to boost competitiveness against rivals like Vietnam and Thailand. Value-added products currently form a small portion of India's seafood exports. This change is expected to significantly improve that share.
https://economictimes.indiatimes.com/news/economy/foreign-trade/union-budget-2026-duty-free-import-of-processing-inputs-to-boost-export-of-value-added-seafood/articleshow/127841099.cms

Union Budget 2026: Zero customs duty for nuclear power imports till 2035
Union Budget 2026 that could reshape India's nuclear manufacturing landscape. The government proposed extending the basic customs duty exemption on imports of goods required for nuclear power projects up to the year 2035. The exemption of the levy for eligible goods used across all nuclear plants, regardless of capacity has been extended. This move, the government says, will support manufacturing requirements critical to expanding nuclear energy infrastructure.
https://www.business-standard.com/budget/news/nuclear-push-in-union-budget-2026-why-customs-duty-has-been-scrapped-126020100545_1.html

SEZ sale relaxation in Budget to boost import substitution, jobs: Comm Secy
The Budget's proposed conditional relaxation to allow special economic zone (SEZ) units to sell goods in the domestic market will help promote import substitution and create new jobs, Commerce Secretary Rajesh

Agrawal said. He said the details of the announcements will be rolled out in the next 2-3 months. The government on Sunday announced a one-time measure to allow SEZ units to sell their goods in the domestic market at concessional import duty rates, subject to certain quantitative restrictions.
https://www.business-standard.com/budget/news/sez-sale-relaxation-in-budget-fy27-to-help-promote-import-substitution-job-creation-comm-secy-126020200718_1.html

India- US Trade Deal

India-US trade deal: US cuts tariffs to 18%, India gains edge over regional peers
The US slashing tariffs to 18% from 50% on Indian goods gives New Delhi a slight edge over Vietnam, Sri Lanka, Bangladesh, Pakistan and other Southeast Asian countries that face 19-20% US tariffs. The EU, the UK, Japan and South Korea have rates between 10% and 15%. The US has slapped a 50% tariff on Brazil, 30% on South Africa and 25% on Mexico. Developed economies such as Canada face a 35% tariff and Switzerland 39%.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-us-trade-deal-us-cuts-tariffs-to-18-india-gains-edge-over-regional-peers/articleshow/127870391.cms

India, US may sign formal trade pact by mid-March
India and the US are expected to finalise and sign a joint statement on the first part of the proposed bilateral trade agreement (BTA) in four-five days and aim to conclude a formal, legally binding pact by mid-March, commerce and industry minister Piyush Goyal said Thursday.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-us-may-sign-formal-trade-pact-by-mid-march/articleshow/127951885.cms

India's telecom exports to gain competitive advantage from US trade deal
India's telecom equipment exports are set to get an edge over competing countries including China, Mexico, Vietnam and Malaysia, following the trade deal between India and the US which lowered the tariff from 50 per cent to 18 per cent, effective immediately. https://www.business-standard.com/economy/news/india-s-telecom-exports-to-get-competitive-edge-from-india-us-trade-deal-126020301710_1.html

India-US trade deal: Gems and jewellery exports set to shine once again
The easing of tariffs imposed by the United States (US) on Monday on Indian exports has revived demand-side confidence in the gems and jewellery sector, raising hopes of reversing losses incurred in the last 10 months and regaining momentum. Reciprocal tariffs imposed on the sector last year, including diamonds, disrupted trade flows between the two countries. The US is the largest market for the precious stone, with a share of more than 30 per cent.
https://www.business-standard.com/industry/news/us-tariff-cut-lifts-sentiment-for-indian-gems-and-jewellery-sector-126020301455_1.html

Tariff reset lifts India's medical device pulse amid China+1 shift
The sharp cut in US tariffs on Indian goods is proving to be a turning point for India's healthcare manufacturing sector, with medical devices among the biggest beneficiaries. Industry executives say the move alters the competitive landscape just as global supply chains shift away from China, while also making it easier and cheaper for India to import advanced medical technologies from the US. For Indian medical device exporters, the tariff reset addresses a long-standing vulnerability: wafer-thin margins.
https://www.business-standard.com/economy/news/us-tariff-cut-gives-indian-medical-devices-an-edge-as-china-1-gathers-pace-126020301572_1.html

US-India tariff reset lifts engineering exports; auto components lead gains
India's engineering exports to the United States (US) are set to regain momentum following the proposed reduction in US reciprocal tariffs on Indian goods to 18 per cent, significantly improving cost competitiveness after years of elevated duties. Auto component manufacturers are expected to be the biggest beneficiaries, with the tariff reset sharpening India's export edge in the US market far more for ancillary suppliers than for automobile OEMs (original equipment manufacturers).
https://www.business-standard.com/economy/news/us-india-tariff-reset-lifts-engineering-exports-auto-components-lead-gains-126020301434_1.html

India's seafood exports to US set to rebound after tariff cut to 18%: SEAI
India's seafood exports to the United States are expected to recover, following months of declining shipments, after Washington agreed to cut tariffs to 18 per cent from 25 per cent, the Seafood Exporters Association of India (SEAI) said on Tuesday. Fish exports to the US fell 15 per cent by volume to 201,501 tonnes in the April-November period of the current fiscal year, while value declined 6.3 per cent to $1.72 billion from $1.84 billion a year earlier, SEAI General Secretary K N Raghavan said.
https://www.business-standard.com/economy/news/india-s-seafood-exports-to-us-set-to-rebound-after-tariff-cut-to-18-seai-126020300469_1.html

US trade chief says India to maintain some agriculture protections in deal with Trump
The Trump administration is working to put the details of its trade deal with India announced on Monday on paper, but it will reduce India's tariffs on American industrial goods to zero from 13.5% and eliminate duties but allow India to maintain some agricultural import protections, U.S. Trade Representative Jamieson Greer said on Tuesday.
https://economictimes.indiatimes.com/news/economy/foreign-trade/us-trade-chief-says-india-to-maintain-some-agriculture-protections-in-deal-with-trump/articleshow/127890128.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Other Free Trade Agreements

India sets sail to add more trade muscle as it signs FTA terms with Gulf Cooperation Council
India and the Gulf Cooperation Council have signed the terms of reference for a free trade agreement. This move restarts negotiations for a pact that has been pending since 2004. Talks had previously paused in 2011. The signing on Thursday sets the stage for defining the scope and framework of the trade deal between India and the GCC nations.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-sets-sail-to-add-more-trade-muscle-as-it-signs-fta-terms-with-gulf-cooperation-council-saudi-arabia-uae-qatar-kuwait-oman-bahrain/articleshow/127925560.cms

India has finalised eight FTAs covering 37 developed countries: Commerce Minister Goyal
India has finalised eight free trade agreements (FTAs) covering 37 developed countries over the last few years, Commerce and Industry Minister Piyush Goyal said, adding that negotiations are underway or set to begin with several more partners, including Chile, Peru and Canada.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-has-finalised-eight-ftas-covering-37-developed-countries-commerce-minister-goyal/articleshow/127833754.cms?from=mdr

India-UK FTA offers strategic benefits for rules-based trade, British peers conclude
A UK parliamentary report has praised the India-UK free trade agreement as a significant achievement. The deal offers strategic benefits and stability for businesses during challenging global trade times. While highlighting some areas for improvement, the report encourages both nations to strengthen the agreement. The pact is expected to boost annual bilateral trade considerably. Parliamentary ratification is underway.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-uk-fta-offers-strategic-benefits-for-rules-based-trade-british-peers-conclude/articleshow/127888675.cms

India-EU FTA in final legal scrubbing stage, likely to come into force this year: EU envoy
India and the European Union are close to finalizing their Free Trade Agreement. The pact could be signed and come into effect this year. A new Security and Defence Partnership has also been established. This partnership aims to enhance cooperation on various security challenges. Both agreements signal strong commitment and offer significant opportunities for businesses and operational collaboration.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-eu-fta-in-final-legal-scrubbing-stage-likely-to-come-into-force-this-year-eu-envoy/articleshow/127891259.cms

EU FTA brings India to global high table, offers $10-trillion opportunity: Piyush Goyal
India has finalised the free trade agreement with the European Union. This pact protects key sectors like dairy, agriculture, and fisheries. Minister Piyush Goyal described the deal as a robust and transformational

partnership. The agreement brings India to the international high table. It addresses regulatory practices and protects the Indian automobile market.
https://economictimes.indiatimes.com/news/economy/foreign-trade/eu-fta-brings-india-to-global-high-table-offers-10-trillion-opportunity-piyush-goyal/articleshow/127809701.cms

Bilateral Trade

India's Russian crude imports fall 12% in January from December, shows data
India's Russian oil imports slipped in January, continuing a downturn that began in December as refiners sought more alternative barrels under Western sanctions pressure and ongoing US-India trade talks, Reuters sources said and data showed. On Monday, US President Donald Trump announced a trade deal with India to cut tariffs to 18 per cent from 50 per cent in exchange for New Delhi halting Russian oil purchases and lowering trade barriers.
https://www.business-standard.com/economy/news/india-russian-oil-imports-down-12-per-cent-in-jan-dec-amid-us-india-trade-talks-126020401520_1.html

India exports first fuel to Europe since ban on Russian crude-derived products
Reliance Industries has partially offloaded a jet fuel cargo in Italy, India's first export to the region since a European Union ban on products derived from Russian oil took effect on January 21, data from ship trackers and trade sources showed. India is one of the top buyers of Russian crude, and market players are closely monitoring its refined oil exports to Europe for signs of trade disruptions that could drive up prices for supply from elsewhere. The EU's ban on importing products produced from Russian crude is aimed at curbing oil revenues Moscow uses to fund the Ukraine war.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-exports-first-fuel-to-europe-since-ban-on-russian-crude-derived-products/articleshow/127931968.cms

Over 40% of India's US exports already face zero duty, shows govt data
Indian exports to the US, which already attract zero duty, account for more than 40 per cent of total shipments to the country, according to the latest government data for April–November 2025. This is even before India and the US announced the conclusion of a mega trade deal on Monday night. Key commodities exported from India to the US at zero duty include electronics, led primarily by smartphones; pharmaceutical products, including bulk drugs, which rank among the top three exports to the US; petroleum products; and tea, coffee, and spices.
https://www.business-standard.com/economy/news/over-40-of-india-s-us-exports-already-face-zero-duty-shows-govt-data-126020401494_1.html

India-China bilateral trade reached $155 billion in 2025: Envoy
India and China's trade reached a record USD 155 billion in 2025, growing over 12 percent. This marks a significant improvement in bilateral ties following a military stand-off. The Chinese ambassador highlighted cooperation and shared cultural values. Both nations are committed to strengthening multilateral coordination and advancing the development of the Global South.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-china-bilateral-trade-reached-155-billion-in-2025-envoy/articleshow/127891947.cms

Sectoral Updates

Indian rice export prices near one month high on firm rupee; Thai, Vietnam rates steady
Indian rice export prices rose to a near one-month high this week, supported by a modest uptick in demand and a rebound in the rupee from record low levels, while rates in other major hubs like Thailand and Vietnam remained unchanged. India's 5% broken parboiled variety was quoted this week at $353-$359 per ton, it's highest since January 8, and up from $351-$356 last week. Indian 5% broken white rice was priced at $351 to $356 per ton this week. The rupee has sharply appreciated over the past week, forcing exporters to revise the dollar prices they quote, said a Mumbai-based trader.
https://economictimes.indiatimes.com/news/economy/foreign-trade/indian-rice-export-prices-near-onemonth-high-on-firm-rupee-thai-vietnam-rates-steady/articleshow/127963797.cms

India's sunflower oil imports to slide to four-year low on price premium
India's sunflower oil imports are expected to drop around a tenth in 2025/26 to a four-year low as a growing price premium over rivals pushes buyers toward cheaper alternatives, trade officials said. As a result, the world's largest importer of vegetable oils is likely to increase imports of palm oil, a shift that could help reduce inventories in top producers Indonesia and Malaysia and support benchmark Malaysian palm oil futures.
https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-sunflower-oil-imports-to-slide-to-four-year-low-on-price-premium/articleshow/127927835.cms

India imposes minimum import price for umbrellas at Rs 100 per piece
The government on Thursday imposed a minimum import price of Rs 100 per piece on umbrellas, a move which would help boost domestic manufacturing of the product. Import of an umbrella below this price will not be allowed.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-imposes-minimum-import-price-for-umbrellas-at-rs-100-per-piece/articleshow/127935070.cms

Import norms eased for certified foreign vehicles
India will allow a limited number of internationally certified motor vehicles to be imported without mandatory prototype testing, easing market access for overseas automakers. The exemption will apply to a capped number of completely built units (CBUs) and completely knocked down units (CKDs), subject to submission of a compliance certificate, the Ministry of Road Transport and Highways said.
https://economictimes.indiatimes.com/news/economy/foreign-trade/import-norms-eased-for-certified-foreign-vehicles/articleshow/127950421.cms

Global Trade

China's manufacturing activity gauge expands for export-oriented firms
China's manufacturing activity improved in January, according to a private survey, a rare encouraging sign for an economy that's been losing momentum. The RatingDog China manufacturing purchasing managers index rose to 50.3 from 50.1 in December, according to a statement released on Monday. Economists surveyed by Bloomberg had forecast the gauge would dip slightly to the 50 threshold that separates expansion and contraction.
https://www.business-standard.com/world-news/china-s-manufacturing-activity-gauge-expands-for-export-oriented-firms-126020200190_1.html

Other Key Coverages

Exim Matters: Trade deals help but competitiveness delivers export growth
I write this a day before the presentation of the Union Budget for the year 2026-27. So, I will focus on last week's two main developments: the India-European Union trade deal that suggests India's preference for greater integration with the global economy, and release of the Economic Survey that recommends prioritising competitiveness over protection to domestic producers.
https://www.business-standard.com/opinion/columns/exim-matters-trade-deals-help-but-competitiveness-delivers-export-growth-126020201100_1.html

Open to import of Venezuelan oil based on viability: MEA
The Ministry of External Affairs on Thursday emphasised that ensuring energy security for its 1.4 billion people remains the government's top priority, amid US President Donald Trump's claim that India has stopped importing Russian oil.
https://economictimes.indiatimes.com/news/economy/foreign-trade/open-to-import-of-venezuelan-oil-based-on-viability-mea/articleshow/127950837.cms

'Recent FTAs to give India's exports a meaningful boost', says chief economic advisor
Chief Economic Advisor V Anantha Nageswaran predicts a promising rise in private investment for FY25. The upcoming free trade agreements are anticipated to greatly enhance merchandise exports. Emphasizing growth, the idea of an 'entrepreneurial state' promotes decisions that prioritize tangible development outcomes.

https://economictimes.indiatimes.com/news/economy/foreign-trade/recent-ftas-to-give-indias-exports-a-meaningful-boost-says-chief-economic-advisor/articleshow/127808545.cms

China market access slow; Make in India, import balancing key to cutting trade deficit: Sitharaman
India's efforts to secure better market access for its goods in China continue to move slowly, Finance Minister Nirmala Sitharaman said, underlining that boosting domestic manufacturing while carefully managing imports remains central to narrowing the widening trade deficit with its largest trading partner.
https://economictimes.indiatimes.com/news/economy/foreign-trade/china-market-access-slow-make-in-india-import-balancing-key-to-cutting-trade-deficit-sitharaman/articleshow/127876043.cms

Notifications by CBIC

Seeks to rescind Notification No. 11/2004-Customs dated 08.01.2004 and Notification No. 27/2016-Customs dated 31.03.2016 in view of new Baggage Rules, 2026.
https://taxinformation.cbic.gov.in/view-pdf/1010574/ENG/Notifications

Seeks to amend Notification No. 26/2016-Customs dated 31.03.2016 in view of new Baggage Rules, 2026.
https://taxinformation.cbic.gov.in/view-pdf/1010573/ENG/Notifications

Seeks to further amend notification No. 11/2018-Customs, dated the 2nd February, 2018 and notification No.11/2021-Customs,dated the 1st February, 2021 to revise Social Welfare Surcharge (SWS) and Agricultural Infrastructure Development Cess (AIDC) applicable on certain items
https://taxinformation.cbic.gov.in/view-pdf/1010565/ENG/Notifications

Seeks to further amend notification No. 45/2025-Customs dated the 24th October, 2025 to notify Basic Customs Duty related changes
https://taxinformation.cbic.gov.in/view-pdf/1010564/ENG/Notifications

Seeks to amend five notifications, in order to extend their validity for a further period of two years till 31st March 2028 and make amendments in notification No. 25/2002-Customs, dated the 1st March, 2002 and notification No. 36/2024-Customs, dated the 23rd July, 2024
https://taxinformation.cbic.gov.in/view-pdf/1010563/ENG/Notifications

Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver
https://taxinformation.cbic.gov.in/view-pdf/1010581/ENG/Notifications

Corrigendum to Tariff Notification No. 16/2026-Customs (N.T.) dated 2nd February, 2026
https://taxinformation.cbic.gov.in/view-pdf/1010578/ENG/Notifications

Seeks to notify the Customs Baggage (Declaration & Processing) Regulations, 2026.
https://taxinformation.cbic.gov.in/view-pdf/1010572/ENG/Notifications

Seeks to notify the Baggage Rules, 2026.
https://taxinformation.cbic.gov.in/view-pdf/1010571/ENG/Notifications

Seeks to add a new class of eligible importers as 'Eligible Manufacturer Importers' under Section 47 of the Customs Act, 1962 for duty deferral facility.
https://taxinformation.cbic.gov.in/view-pdf/1010569/ENG/Notifications

Seeks to amend the Deferred Payment of Import Duty Regulations, 2016 to extend duty deferral facilities for trusted entities from 15 to 30 days.
https://taxinformation.cbic.gov.in/view-pdf/1010570/ENG/Notifications

Notifications by DGFT

Amendment in Import Policy and policy condition of Umbrellas covered under Chapter 66 of Schedule-I (Import Policy) of ITC (HS) 2022-reg
https://content.dgft.gov.in/Website/dgftprod/9ec23db1-7c31-4cb1-9087-ad4df25d3bc7/Notification%20No.%2057%20English_0001.pdf

Amendment in import policy of ITC (HS) code 71141920 covered under Chapter 71 of ITC (HS), 2022, Schedule - I (Import Policy) - Reg
https://content.dgft.gov.in/Website/dgftprod/7e9f69cb-93ac-4cca-bae3-1aafeb109436/Notification%20No.%2058%20English_0001.pdf

Clarification on the Warehousing of Chemicals under Para 2.36(a) of Foreign Trade Policy (FTP) 2023 - reg.
https://content.dgft.gov.in/Website/dgftprod/62069db3-e4e4-4b32-a3a2-1cec137d60a4/Poilcy%20Circular%209.pdf

Notifications by DGTR

Anti-dumping investigation concerning imports of "Ethambutol Hydrochloride" originating in or exported from China PR and the Kingdom of Thailand
https://dgtr.gov.in/sites/default/files/2026-01/English_NCV_Ethambutol%20Hydrochloride.pdf