

25 July - 31 July 2026

Free Trade Agreements

India-EU FTA includes separate annexure to address EU carbon tax
The proposed India-EU free trade agreement (FTA) featured intensive negotiations on the issue of the Carbon Border Adjustment Mechanism (CBAM) and the pact includes a comprehensive work plan to address concerns, especially of small and medium enterprises, related to the mechanism, Darpan Jain, additional secretary in the Department of Commerce, said on Thursday.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-eu-fta-includes-separate-annexure-to-address-eu-carbon-tax/articleshow/132748746.cms

India, Israel conclude second round of trade pact negotiations
The second round of negotiations for the proposed free trade agreement between India and Israel covering multiple issues such as trade in goods and services, rules of origin, technical barriers, intellectual property rights, customs procedures and trade facilitations has been concluded this week, an official statement said on Friday.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-israel-conclude-second-round-of-trade-pact-negotiations/articleshow/132603641.cms

Govt looks to improve FTA utilisation as trade pact network expands
The Commerce Department's FTA monitoring committee is scheduled to meet in August to undertake a comprehensive review of the implementation of the country's 16 operational trade agreements, including the recently implemented pacts with the UK and Oman, and identify the challenges faced by exporters in availing of the concessions they offer.
https://www.thehindubusinessline.com/economy/govt-looks-to-improve-fta-utilisation-as-trade-pact-network-expands/article71287125.ece

Bilateral Trade

45% of India's exports to US out of 10% section 301 tariffs: Govt
The US has kept India in lower tariff bracket of 10% under its Section 301 measures on alleged forced labour concerns and estimated 45% of India's exports to the US remain outside the purview of the additional duty, the government said Saturday. The textile specific mechanism referenced in the final measures is yet to be established and India continues to engage with the US on the issue as part of the ongoing negotiations for the Bilateral Trade Agreement, the commerce and industry ministry said in a statement.
https://economictimes.indiatimes.com/news/economy/foreign-trade/45-of-indias-exports-to-us-out-of-10-section-301-tariffs-govt/articleshow/132624297.cms

US, India expanding cooperation in defence, civil nuclear sector, says senior US official
The US and India are expanding defence and civil nuclear cooperation, including the adoption of trusted AI and other emerging technologies powering the economy, US Assistant Secretary of State S Paul Kapur said. Kapur

made these remarks at a roundtable on India at the Hoover Institution, which saw the participation of former Secretary of State Condoleezza Rice and former US Ambassador to India David C Mulford.
https://economictimes.indiatimes.com/news/economy/foreign-trade/us-india-expanding-cooperation-in-defence-civil-nuclear-sector-says-senior-us-official/articleshow/132673040.cms

Govt plans to source up to a quarter of LPG imports from US in 2027
India plans to buy up to a quarter of its liquefied petroleum gas imports from the United States in 2027, a move that would cut its reliance on the West Asia and support efforts to secure a trade deal with Washington, three sources with knowledge of the matter said. New Delhi faced its worst LPG shortage earlier this year after the Iran war and closure of the Strait of Hormuz disrupted supplies.
https://www.business-standard.com/economy/news/govt-plans-to-source-up-to-a-quarter-of-lpg-imports-from-us-in-2027-126072800710_1.html

India and Australia must move decisively to build resilient energy supply chains
India and Australia must move decisively to build energy supply chains resilient enough to withstand regional shocks, as an energy disruption in one part of the Indo-Pacific can quickly cascade into an economic crisis across the wider region, said Lisa Singh, Chief Executive Officer of the Australia India Institute, Melbourne. Singh was delivering the key note remarks at a policy dialogue on "Building an India-Australia Energy Security Corridor for Indo-Pacific Resilience". The event was organised by CUTS International in association with the Rajasthan International Centre, Jaipur.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-and-australia-must-move-decisively-to-build-resilient-energy-supply-chains/articleshow/132635627.cms

Trilateral critical mineral deals, wider air pact key to India-UAE ties ahead, says UAE Minister
India and the UAE could look to deepen their strategic partnership beyond bilateral trade by jointly investing in third countries, particularly in critical minerals, as global supply chains are reshaped by rising geopolitical risks, UAE minister of economy and tourism Abdulla Bin Touq Al Marri said. He also pressed for enhancing seat entitlements under the India-UAE air services pact, with demand far exceeding available capacity, arguing that the revision was critical to supporting the next phase of trade, tourism and investment.
https://economictimes.indiatimes.com/news/economy/foreign-trade/trilateral-critical-mineral-deals-wider-air-pact-key-to-india-uae-ties-ahead-says-uae-minister/articleshow/132647132.cms

India-China border trade via Lipulekh to start from Aug 1, China allows 20 traders to cross border
India-China border trade via Uttarakhand's Lipulekh Pass is set to resume on August 1 after a gap of more than six years, with the neighbouring country granting permission to 20 Indian traders to visit Purang (Taklakot), according to officials. For the first phase, the Chinese administration in Tibet has granted permission for only 20 Indian traders to visit Purang (Taklakot) to check preparedness and their existing stock, officials said on Tuesday.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-china-border-trade-via-lipulekh-to-start-from-aug-1-china-allows-20-traders-to-cross-border/articleshow/132690664.cms

Sectoral Updates

India's engineering exports climb 21% to $11.48 bn as China demand surges 74%
India engineering exports record strong June growth despite Red Sea and Strait of Hormuz disruptions. India's engineering exports rose 21% year-on-year to $11.48 billion in June, driven by robust demand from China, the United States, Germany and Oman, even as exporters grappled with shipping disruptions in the Red Sea and Strait of Hormuz, Reuters reported citing engineering exporters' body EEPC India.
https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-engineering-exports-climb-21-to-11-48-bn-as-china-demand-surges-74/articleshow/132657488.cms

Indian steel exports may fall up to 30% in FY27 as EU tightens quotas
India's finished steel exports are expected to decline 25-30 per cent year-on-year in FY27 as tighter European Union (EU) safeguard measures reduce the country's duty-free access to its largest overseas market, according to a report by Crisil Intelligence. The report said the decline in exports could result in India losing its status as a net exporter of finished steel this financial year, after exporting around 6.6 million tonnes (MT) of finished steel in the previous financial year.

https://www.business-standard.com/india-news/indian-steel-exports-may-fall-up-to-30-in-fy27-as-eu-tightens-quotas-126073001337_1.html

US tariff plan wakes up Indian pharma to diversify, innovate: Experts

India's pharmaceutical industry should treat the proposed US tariffs on imported generic medicines as a wake-up call to reduce dependence on a single export market, diversify globally and accelerate innovation while ensuring uninterrupted access to affordable medicines, industry leaders and healthcare experts said.US President Donald Trump has announced a phased tariff framework under which imported generic medicines will continue to attract zero tariffs until August 1, 2028, before facing a 100 per cent tariff for one year and a 200 per cent tariff from August 1, 2029.

https://www.business-standard.com/economy/news/us-tariff-plan-wakes-up-indian-pharma-to-diversify-innovate-experts-126072600308_1.html

Led by iPhones, India sees highest Q1 smartphone exports by value

Led by Apple iPhone, India's smartphone exports by value ended with a record first quarter in FY27, touching nearly $10 billion, with the US by far the most dominant market for the country. Based on April-June 2026 data, smartphone exports grew by 23.4 per cent, hitting $9.84 billion compared to $7.97 billion during the same period last year.

https://www.business-standard.com/industry/news/led-by-iphones-india-sees-highest-q1-smartphone-exports-by-value-126072801140_1.html

Tur importers seek govt nod to expand sourcing network

Importers urged the Centre to approve additional supplier destinations for sourcing tur or arhar amid concerns over the likely impact of El Nino weather pattern on pulse production this year. Through a trade-to-trade initiative, Brazil has been attempting to cultivate tur for India, with a small harvest expected this year. However, initiating imports require necessary plant phytosanitary clearance and other government approvals. Over the past two years, Brazil has also started cultivating urad for India, which had thus far relied solely on Myanmar as an external sourcing destination.

https://economictimes.indiatimes.com/news/economy/foreign-trade/tur-importers-seek-govt-nod-to-expand-sourcing-network/articleshow/132720465.cms

India seeks sunflower oil alternatives on Black Sea disruptions

India, the world's top sunflower oil buyer, is rushing to secure supplies of alternate vegetable oils as attacks in the Black Sea region disrupt imports and its own crops falter due to weak monsoon rains. With shipments from top producers Russia and Ukraine facing delays of up to 60 days and prices rising, according to traders, the country is turning to South American suppliers and to rival oils like palm and soy to plug the import gaps.

https://economictimes.indiatimes.com/news/economy/foreign-trade/india-seeks-sunflower-oil-alternatives-on-black-sea-disruptions/articleshow/132726027.cms

State Updates

Petroleum exports cut both ways for Gujarat as outbound trade slows

Gujarat has historically been India's economic powerhouse, both in terms of economic might and exports. Yet, despite remaining India's top exporter overall, the state is facing a growing real-world slump — with outbound shipments declining for three consecutive years starting in FY24. Maharashtra was the country's leading export state until FY20, with Gujarat ranking second; however, these positions flipped starting in FY21. 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, and they further peaked at $146.49 billion in FY23.

https://www.business-standard.com/economy/news/petroleum-exports-cut-both-ways-for-gujarat-as-outbound-trade-slows-126072301019_1.html

Kazakhstan eyes stronger trade ties with West Bengal

Kazakhstan is keen to deepen business engagement with West Bengal, as it considers the state a gateway to northeast India and Southeast Asia, the country's ambassador to India, Yeskarayev Azamat, said on Tuesday. Addressing an interactive session organized by the Merchants' Chamber of Commerce & Industry (MCCI),

Azamat said Kazakhstan is looking to expand cooperation with India, particularly West Bengal, across sectors such as pharmaceuticals, mining, energy and manufacturing.
https://economictimes.indiatimes.com/news/economy/foreign-trade/kazakhstan-eyes-stronger-trade-ties-with-west-bengal/articleshow/132701440.cms

WTO

US, Japan urge India to address export restrictions in farm sector
The United States and Japan have urged India to address export restrictions and unpredictable non-tariff barriers in the agriculture sector during the concluding round of India's Trade Policy Review by the World Trade Organization (WTO) in Geneva. "We continue to urge India to address the high levels of protection and unpredictable non-tariff barriers prevalent in the agriculture sector.
https://www.business-standard.com/economy/news/us-japan-urge-india-to-address-export-restrictions-in-farm-sector-126072801093_1.html

Global Trade

US probes China-linked factories in Vietnam, stoking new tariff fears
US customs officials have carried out spot inspections on China-linked factories in Vietnam, according to people familiar with the matter, adding to concerns the White House may soon find reasons to pile more tariffs on the Southeast Asian nation. Inspectors examined documents, raw material sources and production processes in a bid to determine how much value was added before exporting to the US, as well as potential software intellectual property violations, said the people, who asked not to be identified as sensitive trade talks continue between the two countries.
https://www.business-standard.com/world-news/us-probes-china-linked-factories-in-vietnam-stoking-new-tariff-fears-126072800135_1.html

China is throwing a 1-2-3 punch at the global AI trade
China is a latecomer, but it has conquered the global car industry with electric vehicles and green tech with solar panels and energy-storage batteries. Why should the outcome be any different with the AI supply chain? This is the question global investors must ask themselves. In quick succession, China has thrown a powerful 1-2-3 punch at the global AI trade. On July 16, Beijing-based startup Moonshot AI released the Kimi K3 model with performance that rivals top-tier offerings from OpenAI and Anthropic. Then memory chip giant CXMT Corp. was listed in Shanghai on Monday, gaining 466% on the first day after raising $9.8 billion. Last and perhaps most striking, China has reportedly begun mass production of immersion deep ultraviolet, or DUV, lithography tools, the biggest stranglehold that the West has over the country's AI ambition.
https://economictimes.indiatimes.com/small-biz/security-tech/technology/china-is-throwing-a-1-2-3-punch-at-the-global-ai-trade/articleshow/132702735.cms?from=mdr

Other Key Coverages

Import curbs for six months on suspension grade PVC resin
The government on Friday restricted the imports of low-priced suspension-grade PVC resin for six months by imposing a minimum import price while exempting export-orientated units, and certain export-linked schemes from the restriction. "The import of Suspension grade PVC Resin...having CIF Value of less than or equal to $0.766 per Kilogram is "Restricted" for a period of six months," the Directorate General of Foreign Trade said in a notification.
https://economictimes.indiatimes.com/news/economy/foreign-trade/import-curbs-for-six-months-on-suspension-grade-pvc-resin/articleshow/132613855.cms

Finance Ministry imposes anti-dumping duty on low ash met coke
The finance ministry has imposed an anti-dumping duty of $42.95 to $128.83 per tonne on import of low ash metallurgical coke. This levy covers exports from Australia, China PR, Colombia, Indonesia, Japan and Russia. There is less than 18% ash in the met coke being targeted. "The anti-dumping duty imposed under this notification shall be effective for a period of five years from the date of imposition of the provisional anti-

dumping duty, unless revoked, amended or superseded earlier, and shall be payable in Indian currency," the notification said.
https://economictimes.indiatimes.com/news/economy/foreign-trade/finance-ministry-imposes-anti-dumping-duty-on-low-ash-met-coke/articleshow/132667714.cms

Parliamentary panel urges Centre to assess washed coal export potential
A Parliamentary Standing Committee has urged the Ministry of Coal to prepare a time-bound strategy for expanding and modernising the country's coal washery infrastructure, while also recommending that the government assess the feasibility of exporting washed coal to neighbouring countries once domestic demand is adequately met. https://www.business-standard.com/industry/news/parliamentary-panel-urges-centre-to-assess-washed-coal-export-potential-126072901605_1.html

Centre shifts export strategy, aims to give state govts bigger role
The Centre is looking to increase the role of state governments in export promotion while it plans to shift the focus beyond financial incentives to addressing structural bottlenecks such as logistics, certification, branding, and overseas market access. The plan comes at a time when the World Trade Organization (WTO), in its eighth Trade Policy Review of India, concluded last week, urged New Delhi to address structural challenges — including high costs of trade, regulatory complexity, and infrastructure gaps — to sustain strong economic growth and achieve its Viksit Bharat vision of becoming a developed economy by 2047.
https://www.business-standard.com/economy/news/govt-plans-bigger-role-for-states-export-strategy-shifts-beyond-incentives-126072801412_1.html

US widens foreign exchange review, keeps India off currency watch list
The United States (US) Treasury has broadened the methodology it uses to assess countries' exchange-rate policies, signalling closer scrutiny of foreign exchange intervention and reserve management even when trading partners do not breach statutory thresholds. India, however, escaped any adverse findings in the latest review, with Washington concluding that New Delhi did not manipulate the rupee for trade advantage. In its latest semi-annual report to the US Congress, titled Macroeconomic and Foreign Exchange Policies of Major Trading Partners of the United States, the Treasury Department kept India off its currency monitoring list after finding that it met only one of the three statutory criteria for enhanced scrutiny.
https://www.business-standard.com/economy/news/us-broadens-scrutiny-of-forex-policies-india-stays-off-currency-watch-list-126072701284_1.html

US' Section 301 tariff linked to forced labour import may not survive court
Fresh tariffs imposed by the United States (US) under Section 301 of the US Trade Act of 1974 could face the same judicial scrutiny that derailed American President Donald Trump's reciprocal tariffs earlier this year, according to experts. The Office of the US Trade Representative (USTR) last week imposed tariffs of 10-12.5 per cent on various trading partners following its Section 301 investigation related to imports of products using forced labour. Indian goods are subject to an additional 10 per cent duty over and above the most-favoured nation tariff.
https://www.business-standard.com/economy/news/us-section-301-tariffs-may-not-survive-court-scrutiny-experts-say-126073001371_1.html

Fertiliser industry seeks hike in subsidy rate for Kharif season due to rising raw material cost
Fertiliser Association of India (FAI) has sought an increase in the Nutrient Based Subsidy (NBS) rates fixed by the government for the ongoing Kharif season due to an increase in the cost of raw materials amid the West Asia conflict, sources said. In April, the government approved a Rs 41,534 crore subsidy for Phosphatic and Potassic (P&K) fertilisers for the upcoming 2025-26 kharif season, up by 12 per cent from the year-ago period.
https://economictimes.indiatimes.com/news/economy/agriculture/fertiliser-industry-seeks-hike-in-subsidy-rate-for-kharif-season-due-to-rising-raw-material-cost/articleshow/132720973.cms

Textiles Ministry weighs parity for exporters as rivals gain US tariff quota relief
The Textiles Ministry has begun internal discussions on how to deal with the tariff-rate quota (TRQ) concessions proposed by the US for competing textile and apparel exporters, including Bangladesh, Indonesia and Malaysia, under its new Section 301 forced-labour regime, with one of the options being to seek a similar dispensation for Indian exporters, sources said.

https://www.thehindubusinessline.com/economy/textiles-ministry-weighs-parity-for-exporters-as-rivals-gain-us-tariff-quota-relief/article71281835.ece

Export inventory nod to aid MSMEs

Foreign-owned e-commerce platforms such as Amazon and Flipkart are set to deepen their export sourcing operations from India after the government allowed them to hold inventory exclusively for exports, a move that industry executives said could significantly widen the country's exporter base by shifting compliance and logistics responsibilities from individual sellers to the platforms.
https://www.financialexpress.com/business/news/export-inventory-nod-to-aid-msmes/4301875/

Exporters seek government intervention as West Asia crisis disrupts shipping, drives up freight rates

Escalating shipping disruptions triggered by the continuing crisis in West Asia have prompted Indian exporters to seek urgent government intervention, amid warnings that soaring freight rates, fewer direct calls by mother vessels at Indian ports and increasing dependence on foreign transhipment hubs are hurting India's export competitiveness.
https://www.thehindubusinessline.com/economy/exporters-seek-government-intervention-as-west-asia-crisis-disrupts-shipping-drives-up-freight/article71273021.ece

Gold tariff hike boosts grey market, hurts organised trade, says WGC

India has seen a rise in unofficial gold inflows since the government raised import tariffs on the precious metal earlier this year, widening margins for grey-market operators and hurting organised players, the World Gold Council said on Thursday. India, the world's biggest gold consumer after China, more than doubled import tariffs to 15% on May 13 to curb demand, cut the trade deficit and ease pressure on the rupee.
https://economictimes.indiatimes.com/news/economy/foreign-trade/gold-tariff-hike-boosts-grey-market-hurts-organised-trade-says-wgc/articleshow/132729473.cms

Trade gap seen as by-product of India's development stage, investment needs, energy dependence: Govt to Parliament

Imports have expanded due to increase in domestic demand and manufacturing capabilities to $776.01 billion in FY26 from $ 194.81 billion in FY07, the government informed Parliament, adding that the trade deficit primarily reflects the import requirements of a rapidly expanding economy rather than structural imbalances.
https://economictimes.indiatimes.com/news/economy/foreign-trade/trade-gap-seen-as-by-product-of-indias-development-stage-investment-needs-energy-dependence-govt-to-parliament/articleshow/132685608.cms

India's forex reserves rise $1.08 billion to $676.237 billion in week ended July 17

India's foreign exchange reserves increased by $1.08 billion to $676.237 billion in the week ended July 17, according to data released by the Reserve Bank of India (RBI) on Friday. The country's forex reserves had risen by $964 million to $675.157 billion in the previous reporting week. India's forex reserves had touched a record high of $728.494 billion in the week ended February 27 this year. However, reserves declined in the following weeks amid the Middle East conflict, which put pressure on the rupee and led the RBI to intervene in the foreign exchange market through dollar sales.
https://economictimes.indiatimes.com/news/economy/indicators/indias-forex-reserves-rise-1-08-billion-to-676-237-billion-in-week-ended-july-17/articleshow/132605402.cms

Notification by DGFT

Harmonisation of Schedule-II (Export Policy), ITS (HS) 2022 with Finance Act 2026
https://content.dgft.gov.in/Website/dgftprod/e81c613a-9670-4ab5-9522-9faac4cd9da4/English%20Notification%2026%20dt%2027-07-26.pdf

Notifications by CBIC

Seeks to impose anti-dumping duty on imports of "Low Ash Metallurgical Coke" originating in or exported from Australia, China PR, Colombia, Indonesia, Japan and Russia for a period of 5 years.
https://taxinformation.cbic.gov.in/view-pdf/1010729/ENG/Notifications

Corrigendum to Notification No. 28/2026-Customs dated 10th July, 2026
https://taxinformation.cbic.gov.in/view-pdf/1010730/ENG/Notifications

Automation of Refund Application and Processing for Courier Imports through Express Cargo Clearance System (ECCS)
https://taxinformation.cbic.gov.in/view-pdf/1003336/ENG/Circulars