

22 August - 28 August 2026

Trade Updates

India's goods trade deficit hits 6-month high as imports rise amid Gulf war
India's merchandise trade deficit widened more than expected to a six-month high of $31.98 billion in July, as the West Asia war drove up the country's oil import bill and global freight rates. The data underscores the growing pressure on India's external balance, as a wider trade gap weighs on the rupee and capital inflows. A Reuters poll of economists expected the merchandise trade deficit in July at $30.20 billion. It stood at $30.43 billion in June.
https://www.business-standard.com/economy/news/india-s-goods-trade-deficit-hits-6-month-high-as-imports-rise-amid-gulf-war-126081301364_1.html

India's merchandise exports rise 15% to over $25 billion in Aug 1-21
The country's merchandise export during August 1-21 is estimated to rise by 15 per cent to more than USD 25 billion, an official said on Wednesday. During April-August 21 this fiscal, the exports crossed USD 200 billion, the official said. The commerce ministry will release the exports and imports data for August formally next month.
https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-merchandise-exports-rise-15-to-over-25-billion-in-aug-1-21/articleshow/133545176.cms

Free Trade Agreements

US-India trade deal nearly final, Rubio to visit India in October: Sergio Gor
Almost everything" about the US-India trade deal is done "in principle," said Sergio Gor. The US ambassador to India also sought to draw a distinction between Congress pushing for a 100% tariff on countries buying Russian oil and the position of the US administration, especially that of President Donald Trump.
https://economictimes.indiatimes.com/news/economy/foreign-trade/us-india-trade-deal-nearly-final-rubio-to-visit-india-in-october-sergio-gor/articleshow/133429941.cms

India, Canada set $70 billion trade target, widen economic partnership
India and Canada aim to further deepen their economic partnership, moving beyond the traditional trade in goods and services to encompass investment, finance, capital markets and regulatory cooperation, finance minister Nirmala Sitharaman said on Thursday. India and Canada aim to further deepen their economic partnership, moving beyond the traditional trade in goods and services to encompass investment, finance, capital markets and regulatory cooperation, finance minister Nirmala Sitharaman said on Thursday.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-canada-set-70-billion-trade-target-widen-economic-partnership/articleshow/133577040.cms

India, Canada aim to conclude trade talks by 2026-end in bid to boost bilateral trade
In a bid to deepen bilateral economic and financial cooperation, India and Canada have said they are looking to conclude negotiations on a Comprehensive Economic Partnership Agreement by the end of 2026 and initiate talks on a Bilateral Investment Treaty at the earliest. At the inaugural Economic and Financial Dialogue in Toronto

on Thursday, Finance Minister Nirmala Sitharaman and Minister of Finance and National Revenue, François-Philippe Champagne of Canada agreed to support engagement between relevant authorities and stakeholders to explore opportunities relating to cross-border remittances and merchant payments.
https://www.thehindubusinessline.com/economy/india-canada-aim-to-conclude-trade-talks-by-2026-end-in-bid-to-boost-bilateral-trade/article71399250.ece

Commerce minister Piyush Goyal asks Japanese companies to deepen localisation in India
Commerce and industry minister Piyush Goyal Monday urged Japanese auto companies and capital goods firms to deepen their localisation in India, establish more research and development and Global Capability Centers (GCC) and, new capacities to come up in India, to leverage the country's free trade agreements (FTA).
https://economictimes.indiatimes.com/news/economy/foreign-trade/commerce-minister-piyush-goyal-asks-japanese-companies-to-deepen-localisation-in-india/articleshow/133471946.cms

Hoping to work towards further expanding scope of India-Japan trade pact: Piyush Goyal
Commerce and Industry Minister Piyush Goyal on Wednesday said he discussed reviewing the current trade pact with his Japanese counterpart, and both hope to work towards further expanding its scope. The two countries implemented a Comprehensive Economic Partnership Agreement (CEPA) in August 2011. The CEPA review is a long-pending demand of India to balance the bilateral trade.
https://economictimes.indiatimes.com/news/economy/foreign-trade/hoping-to-work-towards-further-expanding-scope-of-india-japan-trade-pact-piyush-goyal/articleshow/133543348.cms

India to seek greater Japan market access for basmati rice in CEPA review:Piyush Goyal
India will seek greater market access for basmati rice in Japan and explore opportunities to expand exports of processed food products when the two countries review their trade agreement, Commerce and Industry Minister Piyush Goyal said on Thursday. Responding to an industry representative who raised the issue of increasing basmati rice exports to Japan, Goyal said India would need to engage with Japanese authorities as rice remains a sensitive sector in the country.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-to-seek-greater-japan-market-access-for-basmati-rice-in-cepa-reviewpiyush-goyal/articleshow/133568831.cms

India-EU ties stronger than ever, FTA breakthrough driven by realism, pragmatism: EU Ambassador
As he prepares to conclude his tenure in India, EU Ambassador to India, Herve Delphin, has described India-EU relations as stronger than they have been in years, attributing the deepening partnership to greater "strategic understanding" and "strategic comfort" between the two sides.Speaking to ANI, the Ambassador said his tenure focused on developing a comprehensive understanding of India and strengthening cooperation across a wide range of sectors.
https://economictimes.indiatimes.com/news/economy/foreign-trade/eu-ambassador-highlights-strong-india-eu-ties-as-free-trade-agreement-nears-signing-amid-global-challenges/articleshow/133553975.cms

India-Russia FTA talks with EAEU reach advanced stage, says Russian Deputy PM Manturov
India and Russia-led Eurasian Economic Union (EAEU) negotiations for FTA have reached an advanced stage, according to Russian First Deputy PM Denis Manturov who met External Affairs Minister S Jaishankar in Moscow this Monday. Manturov said the FTA that the Russia-led Eurasian Economic Union has been negotiating with India since August last year will be a new driver for sustainable trade growth. *"Its preparation is in an active stage and it is important to maintain a high pace of negotiations,"* he mentioned at the 27th Session of the India-Russia Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation, which he is co-hosted with Jaishankar in Moscow.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-russia-fta-talks-with-eaeu-reach-advanced-stage-says-russian-deputy-pm-manturov/articleshow/133554954.cms

India committed to conclude trade pact with Chile this year: Commerce Minister
India is committed to concluding the ongoing negotiations for a trade pact with South American nation Chile this year, the Department of Commerce said on Thursday. Commerce Secretary Rajesh Agarwal is in Chile to review the progress of the negotiations. Agrawal, in his meeting with Paula Estevez Weinstein, Vice-Minister of International Economic Relations of Chile, emphasised the need to build on the strong India-Chile relationship

and ensure that the CEPA (Comprehensive Economic Partnership Agreement) translates shared ambitions into real opportunities for trade and investment.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-committed-to-conclude-trade-pact-with-chile-this-year-commerce-minister/articleshow/133569579.cms

India, Gulf bloc discuss next steps on free trade agreement
India has reviewed the negotiations on a free trade agreement with the Gulf Cooperation Council (GCC), as the country's ambassador to Saudi Arabia, Vipul, held wide-ranging talks with the secretary general of the six-nation bloc, Jasem Mohamed Albudaiwi, in Riyadh. India has reviewed the negotiations on a free trade agreement with the Gulf Cooperation Council (GCC), as the country's ambassador to Saudi Arabia, Vipul, held wide-ranging talks with the secretary general of the six-nation bloc, Jasem Mohamed Albudaiwi, in Riyadh.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-gulf-bloc-discuss-next-steps-on-free-trade-agreement/articleshow/133457984.cms

India negotiating FTAs with 8-9 more blocs, aims to cover 75% of global trade: Piyush Goyal
India is in negotiations with at least 8-9 more groups of countries and individual nations that together account for another USD 15 trillion of GDP, Commerce and Industry Minister Piyush Goyal said on Monday. He added that the country's free trade agreements would eventually cover about 75 per cent of global trade and help position India as a trusted partner in global value chains.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-negotiating-ftas-with-8-9-more-blocs-aims-to-cover-75-of-global-trade-piyush-goyal/articleshow/133451223.cms

Bilateral Trade

India-Japan business mission to focus on semiconductors, electronics; MoUs expected during visit: FICCI
India and Japan are set to step up cooperation in semiconductors and electronics, with MoU signings expected during the ongoing business mission, as the two countries seek to deepen bilateral business ties, FICCI Director General Jyoti Vij said on Sunday. "High-technology areas such as semiconductors and electronics are key domains where both nations can build greater strength and expand mutual cooperation," Vij told ANI, adding that collaboration would also extend to traditional sectors.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-japan-business-mission-to-focus-on-semiconductors-electronics-mous-expected-during-visit-ficci/articleshow/133438150.cms

Widening trade gap with Japan a concern, Ficci flags
India's widening trade deficit with Japan is a matter of concern for Indian exporters and there is a need for greater recognition of Indian certifications in Tokyo to improve market access, Ficci president Anant Goenka said on Tuesday. He added that there is a possibility of the two sides investing jointly in Africa to secure their supplies and expand mining capabilities. Indian companies, especially pharma, continue to face difficulties in accessing the Japanese market largely due to stringent certification and regulatory requirements, Goenka told reporters here. There is also "a fair amount of bias of buying products within Japan of Japanese companies," he added.
https://economictimes.indiatimes.com/news/economy/foreign-trade/widening-trade-gap-with-japan-a-concern-ficci-flags/articleshow/133523925.cms

Indian Industry pushes for regulatory harmonisation, mutual recognition of standards with Japan
Indian industry has flagged the need for greater regulatory harmonisation and mutual recognition of certification and quality standards with Japan, FICCI President Anant Goenka said, as he accompanies Commerce and Industry Minister Piyush Goyal on a Japan visit along with a delegation of over 200 Indian businesses.
https://www.thehindubusinessline.com/economy/indian-industry-pushes-for-regulatory-harmonisation-mutual-recognition-of-standards-with-japan/article71387522.ec

Japan already invested 14 percent of 10 trillion yen India investment target: Piyush Goyal
Commerce and Industry Minister Piyush Goyal on Wednesday said that Japanese firms have already invested Rs 1 lakh crore of the 10 trillion Yen (Rs seven lakh crore) investment target in India over a decade, as committed in 2025. He said that with this pace, the 10 trillion yen may be invested in India in the next 3-4 years instead of 10 years. Earlier, Japan had set a target of investing 5 trillion yen in India in 10 years and that target was achieved within five years. In 2025, a new target of 10 trillion yen was set, the minister told reporters here.

https://economictimes.indiatimes.com/news/economy/foreign-trade/japan-already-invested-14-percent-of-10-trillion-yen-india-investment-target-piyush-goyal/articleshow/133545899.cms

Piyush Goyal pitches India as trusted destination for data centres, cites $200 bn investment commitments

Tokyo, Commerce and Industry Minister Piyush Goyal on Tuesday pitched India as a compelling destination for data centres, saying the country can work with Japanese companies to develop the sector and has already received investment commitments of about USD 200 billion from large hyperscalers globally.

https://economictimes.indiatimes.com/news/economy/foreign-trade/piyush-goyal-pitches-india-as-trusted-destination-for-data-centres-cites-200-bn-investment-commitments/articleshow/133518432.cms

British Virgin Islands seeks dedicated India investment corridor

The British Virgin Islands (BVI) is seeking a bigger role in India's cross-border investment architecture, pitching a dedicated BVI-India investment corridor as Indian companies expand overseas and global capital seeks access to India. The BVI is also exploring greater cooperation with GIFT City in financial services, cross-border legal services and investment protection. The proposals were discussed at a high-level interaction hosted by the Society of Indian Law Firms (SILF) in New Delhi. The BVI delegation was led by finance minister Natalio D Wheatley and minister for financial services, economic development and digital transformation Lorna Smith.

https://economictimes.indiatimes.com/news/economy/foreign-trade/british-virgin-islands-seeks-dedicated-india-investment-corridor/articleshow/133522419.cms

FM Sitharaman cites financial sector boom to woo Canadian investors

Finance minister Nirmala Sitharaman said there are significant opportunities for collaboration with Canadian banks, fintech firms and regulators, not only in the payments domain but also in shaping the next generation of digital financial infrastructure. The minister was speaking at an interaction with prominent business community members of the Indian diaspora in Toronto on Tuesday. She said India can also provide trusted and cost-effective supply-chain alternatives for global markets.

https://economictimes.indiatimes.com/news/economy/foreign-trade/fm-sitharaman-cites-financial-sector-boom-to-woo-canadian-investors/articleshow/133549454.cms

India, China may build new framework for investments

India and China are exploring a new framework to facilitate business-to-business exchanges and Chinese investments, with a focus on accelerated capital flow, as the neighbours cautiously move to rekindle commercial ties amid a broader thawing of diplomatic relations, said people familiar with the developments. For one, Beijing may unveil an investment package for India, including a special economic zone with easier access to the sea route, during Chinese President Xi Jinping's visit for the BRICS summit on September 12-13, they said. Xi will be meeting PM Narendra Modi in New Delhi, groundwork for which was laid during NSA Ajit Doval's just-concluded visit to Beijing, one of the persons said.

https://economictimes.indiatimes.com/news/economy/foreign-trade/india-china-may-build-framework-for-investments-xi-jinping-visit-brics-summit/articleshow/133550479.cms

Vladimir Putin offers to increase Russia's fertiliser exports to India

Moscow is willing to increase its fertiliser supplies to India’s agricultural sector, Russian President Vladimir Putin said on Monday during his meeting with External Affairs Minister S Jaishankar. The Russian President noted that bilateral trade between the two countries increased in the first half of 2026, after a decline in 2025. India is keen to host Putin for the Brics summit on September 12 and 13 in New Delhi.

https://www.business-standard.com/external-affairs-defence-security/news/vladimir-putin-offers-to-increase-russia-s-fertiliser-exports-to-india-126082401207_1.html

Jaishankar calls for urgent steps to address $50-billion India-Russia trade deficit

With India’s trade deficit with Russia widening to over $50 billion in 2025-26 from just $6.6 billion five years earlier, External Affairs Minister S Jaishankar called for urgent steps to rebalance the rapidly expanding bilateral trade, including greater market access, removal of tariff and non-tariff barriers, stronger payment mechanisms and deeper business-to-business engagement.

https://www.thehindubusinessline.com/economy/jaishankar-calls-for-urgent-steps-to-address-50-billion-india-russia-trade-deficit/article71387315.ece

Sectoral Updates

Govt lifts ban on wheat exports in boost to war hit global supply

India, the world's second-biggest wheat producer, has scrapped a years-long ban on exports of the grain, a move that could ease global supplies that are under strain from escalating attacks between Russia and Ukraine. The government has permitted exports of wheat, including the durum variety, as well as flour and other products, according to notifications issued on Monday by the Directorate General of Foreign Trade. In February, the government had permitted limited shipments of the grain.

https://www.business-standard.com/economy/news/govt-lifts-ban-on-wheat-exports-in-boost-to-war-hit-global-supply-126082400633_1.html

India's rice exports to 26 markets rise despite challenges; BIRC 2026 to drive diversification

India's rice exports to 26 priority markets rose 1.1 per cent in value and 5.6 per cent in volume during November 2025-March 2026, despite challenges including varying demand conditions, pricing pressures, freight costs and import policies, according to an analysis by the Indian Rice Exporters Federation (IREF). Rice exports to the 26-market basket reached Rs 23,476 crore, with volumes touching 4.79 million tonnes during the five-month period, exceeding the average for the corresponding November-March period of the preceding three years. Eleven of the 26 target countries recorded year-on-year growth in both export value and volume.

https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-rice-exports-to-26-markets-rise-despite-challenges-birc-2026-to-drive-diversification/articleshow/133532222.cms

India's chemicals sector targets $1 trillion by 2040

Union Chemicals and Fertilizers Minister J P Nadda on Monday emphasised the need to increase the size of the chemicals sector to USD 1 trillion by 2040 and said the government is focused on creating an ecosystem to boost investments for increasing domestic manufacturing capabilities. On Monday, Nadda chaired a CEO roundtable to deliberate on India's ambition of building a USD 1 trillion Chemicals sector by 2040, an official statement said.

https://www.thehindubusinessline.com/economy/indias-chemicals-sector-targets-1-trillion-by-2040/article71386326.ece

Russia-Ukraine war likely to raise import price of sunflower oil, yellow peas

The escalation of the Russia-Ukraine war is likely to inflate India's import costs for sunflower oil and yellow peas as exports from the two countries through the Black Sea have almost grounded to a halt, with major shipping lines suspending trade on the route. At the same time, New Delhi's basmati rice exports to Tehran could be severely hit as the US has announced economic sanctions on Iran, a key market accounting for about 1 million tonnes, or 17%, of India's annual basmati exports. Indian traders re-export much of the rice through the UAE, but the availability of vessels to Iran is already limited and could tighten further, potentially bringing the trade to a near standstill.

https://economictimes.indiatimes.com/news/economy/foreign-trade/russia-ukraine-war-likely-to-raise-import-price-of-sunflower-oil-yellow-peas/articleshow/133522331.cms

Govt revises raw sugar import terms, gives 2 months for refining and sale

In a relief to importers, the Union government has revised the conditions for the import of duty-free raw sugar, removing the October 31 deadline to process the imported sugar and sell the refined product in the domestic market. In a gazetted notification issued on Monday, the Directorate General of Foreign Trade (DGFT) modified the previous August 20 order which required raw sugar imported under the tariff-rate quota (TRQ) to be processed into refined sugar sufficiently in advance for its sale in the domestic market by October 31.

https://www.business-standard.com/economy/news/govt-revises-raw-sugar-import-terms-gives-2-months-for-refining-and-sale-126082501013_1.html

State Updates

Keralam seafood sector unveils plan to boost sustainable fishing, exports

Keralam's seafood sector has launched a sustainability initiative with a draft state fisheries management plan and a digital tracking framework aimed at strengthening responsible fishing practices and expanding the state's share in the global seafood market, SEAI members on Saturday said. The initiatives were unveiled at an annual

stakeholder consultation hosted by the Seafood Exporters Association of India (SEAI) on Willingdon Island, attended by government officials, marine scientists, seafood exporters and sustainability organisations.
https://www.business-standard.com/industry/news/keralam-seafood-sector-unveils-plan-to-boost-sustainable-fishing-exports-126082200754_1.html

Global Trade

India's Iran exports set to fall further amid Dubai halt, US sanctions
Planned new U.S. sanctions on Iran and the UAE's halt on Tehran trade could severely disrupt Indian exports of rice, tea and pharmaceuticals to Iran, which have been largely routed through Dubai's port in recent years, Indian exporters said on Monday. India has been among Iran's five largest trading partners, though bilateral trade has fallen by more than 90% from its 2018/19 highs of $17 billion, with exports now limited mostly to goods exempted on humanitarian grounds.
https://www.business-standard.com/world-news/india-s-iran-exports-set-to-fall-further-amid-dubai-halt-us-sanctions-126082401014_1.html

Canada slaps retaliatory tariffs on US goods worth $20 bn amid trade war
Canada hit back on Tuesday with retaliatory tariffs on about $20 billion worth of US annual imports and rolled out aid for businesses and workers, matching Washington's latest duties dollar-for-dollar. The counter-tariffs on US goods take effect on September 8 and impose duties of 15%, 25% and 50% across around 700 products imported from south of the border, a government statement said.
https://www.business-standard.com/world-news/canada-slaps-retaliatory-tariffs-on-us-goods-worth-20-bn-amid-trade-war-126082501519_1.html

Trump weighs 7.5% tariff on China for flooding market with cheap goods
President Donald Trump is moving toward levying a new tariff on China that would penalise the world's second-largest economy for flooding the global market with underpriced goods, according to three people familiar with the matter. Two of the people, who spoke on condition of anonymity to discuss internal deliberations still being finalised, said Trump is considering setting the new tariff at 7.5 per cent. It's a level administration officials believe would not endanger the one-year trade truce between Washington and Beijing or a planned White House meeting between Trump and Chinese President Xi Jinping expected to take place in late September.
https://www.business-standard.com/world-news/trump-weighs-7-5-tariff-on-china-for-flooding-market-with-cheap-goods-126082500051_1.html

Other Key Coverages

India eyes critical minerals, bigger markets in South America trade push
India is enhancing its focus on South America as part of its trade diversification strategy, particularly Chile, Argentina, and Brazil, which present significant export opportunities and are expected to strengthen trade ties during Commerce Secretary Rajesh Agrawal's visit from August 24 to 28, an official said. The secretary will chair joint trade meetings in Argentina and Brazil and take stock of the progress of the proposed comprehensive trade agreement with Chile.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-eyes-critical-minerals-bigger-markets-in-south-america-trade-push/articleshow/133435118.cms

Notification by DGFT

Amendment in the Export Policy of Wheat - reg.
https://content.dgft.gov.in/Website/dgftprod/464a6838-3987-4369-bd8a-3a810216bfbe/Scan%20wheat%20english.pdf

Amendment in the Export Policy of Wheat Flour and related products - reg.
https://content.dgft.gov.in/Website/dgftprod/7c58d938-9b88-42e7-9f4c-180e66228e16/Scan%20wheat%20flour%20english.pdf

Corrigendum to Public Notice No. 27/2026-2027 dated 20.08.2026 regarding Modalities for Application and Distribution of TRQ for Import of 10 Lakh MT of Raw Sugar and one-time conversion from Advance Authorisation (AA) Scheme to Tariff Rate Quota (TRQ) Scheme-reg.
https://content.dgft.gov.in/Website/dgftprod/d8ef19ea-19b9-402c-a837-1773b5dffd05/Corrigendum.pdf

Enhancements in the Pre-Shipment Inspection Agency (PSIA)/Pre-Shipment Inspection Certificate (PSIC) process – reg.
https://content.dgft.gov.in/Website/dgftprod/998a233e-488e-4dc0-a09f-2e610bb380fd/DGFT%20Trade%20Notice%2022%20-%20PSIA_PSIC%20signed%2025082026.pdf

Introduction of new features in the Bank Guarantee (BG) Repository Module on DGFT Portal - regarding
https://content.dgft.gov.in/Website/dgftprod/93cf125c-4687-4615-a9a5-8ec0bb37e01c/Adobe%20Scan%2028%20Aug%202026.pdf

Notifications by CBIC

Seeks to exempt 10 lakh MT of raw sugar falling under tariff heading 1701 from the whole of the customs duty leviable thereon under the First Schedule to the Customs Tariff Act, 1975, up to 31st October, 2026, when imported under the Tariff Rate Quota (TRQ) Scheme (Open General Licence)
https://taxinformation.cbic.gov.in/view-pdf/1010743/ENG/Notifications

Seeks to continue applicability of anti-dumping duty on imports of Natural Mica based Pearl Industrial Pigments excluding cosmetic grade originating in or exported from China PR till 25th February, 2027.
https://taxinformation.cbic.gov.in/view-pdf/1010744/ENG/Notifications

Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver
https://taxinformation.cbic.gov.in/view-pdf/1010745/ENG/Notifications

Modalities for payment of exempted GST at the time of import of Raw Sugar actually imported under Advance Authorisation (AA) Scheme to be converted into Tariff Rate Quota (TRQ) Scheme.
https://taxinformation.cbic.gov.in/view-pdf/1003339/ENG/Circulars