

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 1509
ANSWERED ON 09/12/2025

TRADE DEFICIT

1509. SHRI V K SREEKANDAN:

Will the Minister of COMMERCE AND INDUSTRY (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether it is a fact that India's trade deficit surged 141% in October 2025 to \$ 21.8 billion due to surging imports;
- (b) if so, the details thereof;
- (c) whether it is also true that India's total exports in October 2025 stood at \$72.9 billion, down marginally from \$ 73.4 billion in October last year;
- (d) whether it is also a fact that the many efforts made by the Government, including visits by officials and ministers to many countries a number of times are not producing any positive results and the trend of exports is only going down during the last several years, if so, the details thereof; and
- (e) the total number of Free Trade Agreements and Bilateral Trade Agreements signed or concluded with countries the Government held discussions and made a number of visits to such countries during the last five years?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री जितिन प्रसाद)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

- (a) & (b) The rise in the overall trade deficit in October 2025 is primarily the result of a sharp expansion in merchandise imports, even as India's services sector continues to provide strong support. Merchandise imports growth has been driven significantly by higher inbound shipments of gold and silver. Gold imports increase is led by significant increase in unit price. Significant increase in Silver import is attributed to increase in international price of silver and also due to increased industrial demand in sectors like Solar Panels, Electronics, Electric Vehicles and Pharma. These factors collectively led to an increase in trade deficit.
- (c) India's overall exports moderated slightly in October 2025 largely due to a temporary dip in merchandise exports. In October 2025, merchandise export figures have declined due to high base of October 2024, which is the highest for October months' merchandise exports. Moreover, India's export performance in the cumulative period of April–October 2025 reflects a positive and resilient trajectory registering a robust growth of 4.1%. This steady growth in the cumulative figures underscores the underlying strength and competitiveness of India's external sector, demonstrating its ability to absorb short-term fluctuations while maintaining forward momentum.

- (d) India's trade policy today rests on credibility, resilience, and strategic engagement. The Government has consistently advanced dialogues with major partners to strengthen economic cooperation and ensure that every high-level visit translates into tangible outcomes.

India's export sector has delivered a powerful message of resilience and global competitiveness in FY 2025–26 even in the face of persisting global uncertainties, recording its highest-ever quarterly exports in both Q1 and Q2. Taken together, India's exports in the first half of FY 2025–26 (April–September 2025) stood at US\$ 418.6 billion, up from US\$ 395.7 billion in the same period of 2024—reflecting a growth of 5.8%. This marks the highest-ever H1 export performance for the country. The data underscores the continued resilience of India's export ecosystem and the benefits of structural reforms undertaken in recent years, including logistics improvements, enhanced port capacity, export facilitation measures, and targeted incentives for high-growth sectors.

India has leveraged its diversified export basket, improved competitiveness under Production-Linked Incentive (PLI) schemes, and expanding services exports to push ahead of global trends. With the momentum of H1-FY26 and continued policy support for exporters, India is poised for a strong performance in the remainder of FY 2025–26. The highest-ever quarterly and half-yearly exports testify not only to India's resilience but also to its growing role as a dependable and competitive partner in global trade.

- (e) Government has signed the following 5 Free Trade Agreements (FTAs) with its trading partners during the last 5 years. :

1. India - Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA)
2. India-UAE CEPA
3. India-Australia Economic Cooperation and Trade Agreement (Ind-Aus ECTA)
4. India-European Free Trade Association (EFTA) Trade and Economic Partnership Agreement (TEPA)
5. India - UK Comprehensive Economic and Trade Agreement (CETA) (Will be implemented after completion of ratification process by India and the UK)

FTAs are sustained through continuous rounds of negotiations and reciprocal visits from both sides, which build trust, resolve outstanding issues, and deliver tangible outcomes for trade, investment, and technology cooperation.
