

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE AND INDUSTRY  
DEPARTMENT OF COMMERCE  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 2800**  
**ANSWERED ON 10/03/2026**

TRADE DEFICIT

2800. SHRI T R BAALU:

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

- (a) whether the trade deficit in the current financial year has increased to 25 billion USD which is 25 percent higher compared to 2024;
- (b) if so, the details thereof;
- (c) the reasons for such a high jump in trade deficit; and
- (d) the possible impacts on Indian economy and the manner the Government is going to address this disturbing trend?

**ANSWER**

वाणिज्य और उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)  
THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI JITIN PRASADA)

(a) to (d) The trade deficit (merchandise and services) in the current financial year registered a moderate increase of 4.34%, amounting to US\$ 92.27 billion during April–December 2025 as compared to US\$ 88.43 billion in the corresponding period of the previous year. This modest increase was accompanied by a healthy growth in exports. Total exports rose by 5.32%, from US\$ 607.93 billion in April–December 2024 to US\$ 640.30 billion in April–December 2025. Overall, India’s trade performance during the current financial year (April–December 2025) reflects resilience and steady expansion in external trade.

The moderate rise in India’s trade deficit is best understood as a reflection of robust domestic demand and the continued import of critical inputs, particularly energy and advanced technology, that underpin the nation’s growth trajectory. Imports remain indispensable for sustaining industrial expansion and developmental priorities, while the steady expansion of exports provides a strong counterbalance, ensuring that the overall deficit remains within manageable bounds.

Importantly, India continues to maintain comfortable levels of foreign exchange reserves, which serve as a strategic buffer to support sustainable import requirements and safeguard the economy against external shocks. This resilience underscores the country’s ability to finance its trade needs while pursuing long-term objectives of industrial modernization, export diversification, and global competitiveness.

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