**India records trade deficit with 9 of top 10 trading partners in 2023-24**

India has recorded a trade deficit, the difference between imports and exports, with nine of its top 10 trading partners, including China, Russia, Singapore, and Korea, in 2023-24, according to official data.

The data also showed that the deficit with China, Russia, Korea, and Hong Kong increased in the last fiscal compared to 2022-23, while the trade gap with the UAE, Saudi Arabia, Russia, Indonesia, and Iraq narrowed.

The trade deficit with China rose to $85 billion, Russia to $57.2 billion, Korea to $14.71 billion and Hong Kong to $12.2 billion in 2023-24 against $83.2 billion, $43 billion, $14.57 billion and $8.38 billion, respectively, in 2022-23.

China has emerged as India’s largest trading partner with $118.4 billion of two-way commerce in 2023-24, edging past the U.S.

The bilateral trade between India and the U.S. stood at $118.28 billion in 2023-24. Washington was the top trading partner of New Delhi during 2021-22 and 2022-23. India has a free trade agreement with four of its top trading partners — Singapore, the UAE, Korea and Indonesia (as part of the Asian bloc). India has a trade surplus of $36.74 billion with the U.S. in 2023-24. America is one of the few countries with which India has a trade surplus. The surplus is also there with the U.K., Belgium, Italy, France and Bangladesh. India’s total trade deficit in the last fiscal narrowed to $238.3 billion as against $264.9 billion in the previous fiscal.

According to trade experts, a deficit is not always bad, if a country is importing raw materials. However, it puts pressure on the domestic currency.

“A rising trade deficit can cause the country’s currency to depreciate because more foreign currency is needed for imports. This depreciation makes imports more expensive, worsening the deficit,” Economic think tank Global Trade Research Initiative Founder Ajay Srivastava said.