



INDIA–FRANCE TRADE SCENARIO

France is an important trade partner for India, particularly in the context of the recently concluded EU–India Free Trade Agreement (please see our entire analysis [here](#)), as it serves as one of India’s most significant gateways into the European Union market. Among the 27 EU member states, France ranked third in bilateral trade (imports plus exports) with India in FY2025, indicating the depth and resilience of commercial ties between the two countries. The strengthening of trade frameworks under the FTA is expected to further expand cooperation in sectors such as aerospace, defence, renewable energy, and technology. France has also become a key source of foreign direct investment for India, with more than 1,000 French establishments currently operating across the country. It stands as the 11th largest origin of FDI in India, with cumulative FDI inflows of about USD 11.75 billion between April 2000 and March 2025. Over the longer period from April 2000 to September 2024, French equity inflows have been concentrated in the services sector (17.69%), cement and gypsum products (8.33%), air transport including air freight (6.84%), miscellaneous industries (6.70%), and petroleum and natural gas (6.36%), with these five segments together accounting for 45.93% of the total inflows from France. The scale and continuity of these investments point to France’s favourable outlook on India’s economic prospects. Indian businesses have also steadily expanded their footprint in the French market, with more than 150 Indian companies, including sub-subsidiaries, now operating there and contributing to local employment and industrial activity. Against this backdrop, Rubix Data Sciences has conducted an in-depth analysis of India–France trade dynamics for merchandise goods.

Key Highlights of Merchandise Goods Trade

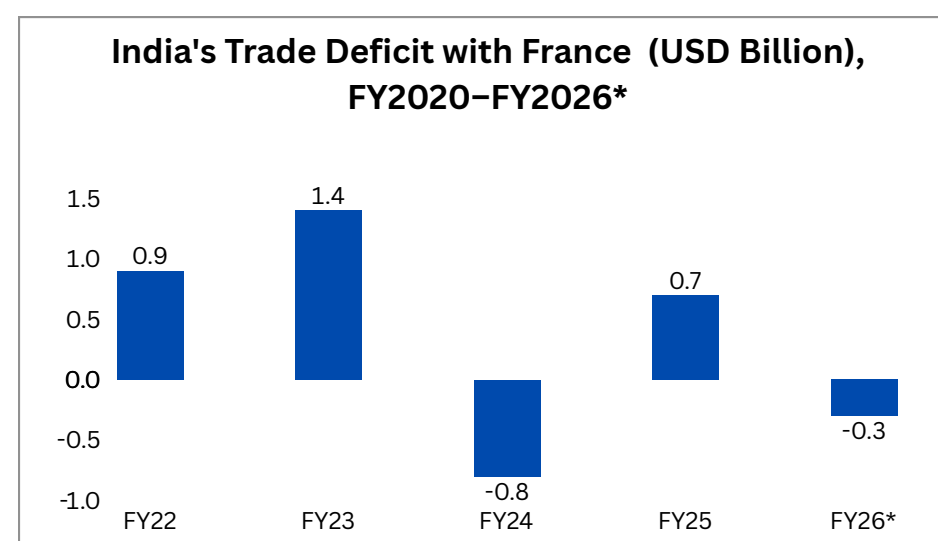
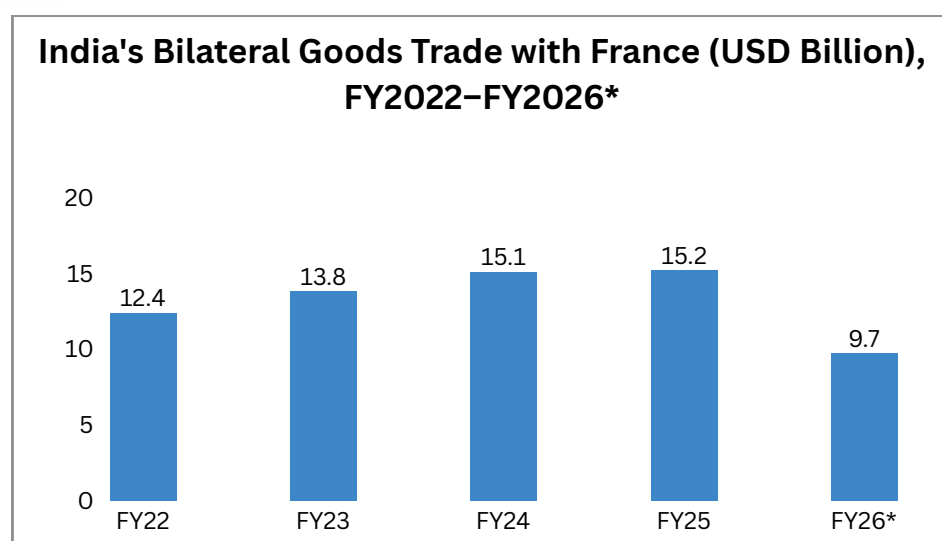
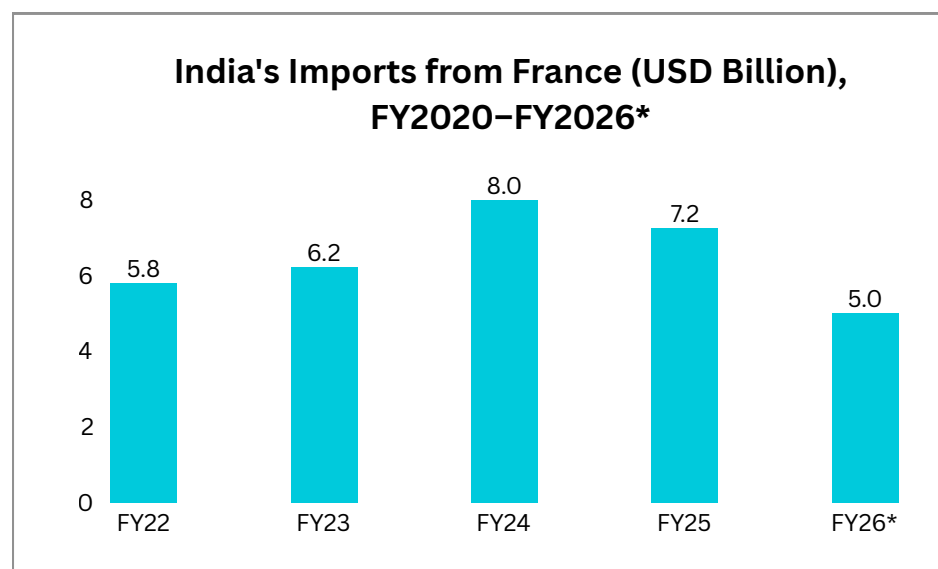
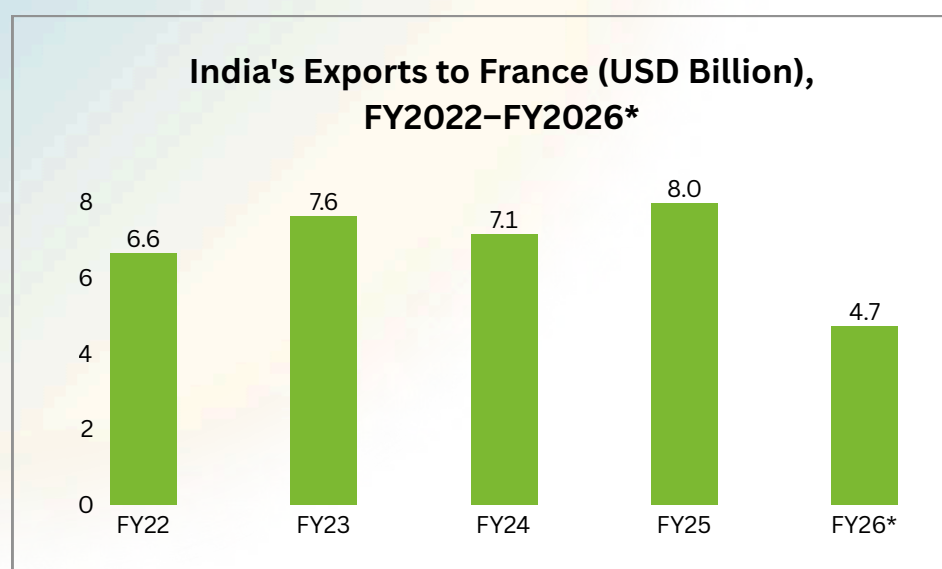
India’s exports to France grew from USD 6.6 billion in FY2022 to USD 8.0 billion in FY2025, at a CAGR of 6%, reflecting sustained demand for Indian goods despite some moderation in FY2024. However, in the 8-month period of FY2026 (April–November 2025), exports dipped by a significant 11% compared to the corresponding period in FY2025.

Imports from France grew at a faster CAGR of 8% over the same period, rising from USD 5.8 billion to USD 7.2 billion, with a notable peak of USD 8.0 billion in FY2024. The faster growth in imports compared to exports suggests deepening industrial and technology linkages, as India sources high-value goods from France. However, in the 8-month period of FY2026 (April–November 2025), imports declined by 5% compared to the corresponding period in FY2025.

The sharper rise in imports in FY2024 led to a temporary trade deficit of USD 0.8 billion that year. However, the trade balance returned to a surplus of USD 0.7 billion in FY2025, indicating improved export performance and relative stabilisation of imports. Thereafter, in the 8-month period of FY2026 (April–November 2025), trade balance once again entered the deficit zone. Thus, there has been a high level of fluctuation in the trade balance between the two countries.

Overall bilateral trade, which remained largely range-bound at around USD 14–15 billion between FY2022 and FY2025, has strong potential to expand further following the conclusion of the Free Trade Agreement with the European Union, providing fresh momentum to India–France commercial engagement.

[1] India Brand Equity Foundation, September 2025
[2] Consulate General of India, Marseille, France: <https://www.cgimarseille.gov.in/page/bilateral-brief/>



Note: *-All data for FY2026 is for the period April–November 2025. Bilateral trade refers to exports plus imports; trade deficit refers to imports minus exports; all figures rounded off to the nearest decimal.
Source: Ministry of Commerce and Industry, Government of India

Key Highlights of Merchandise Goods Trade

Major Products Exported by India to France				Major Products Imported by India from France			
Product		Share in FY2022	Share in FY2025	Product		Share in FY2022	Share in FY2025
Petroleum products		12%	14%	Aircraft and spacecraft		36%	35%
Pharmaceutical products		6%	7%	Turbojets/turbines		5%	9%
Aircraft and spacecraft		0%	6%	Parts of aircraft and spacecraft		0%	3%
Electrical products (including smartphones)		2%	4%	Electrical switches/connectors		2%	2%
Parts of aircraft and spacecraft		0%	3%	Industrial valves		1%	2%
Others		80%	65%	Others		56%	50%
Total		100%	100%	Total		100%	100%

Note: 4-digit HS codes have been considered for the analysis.
Source: Ministry of Commerce and Industry, Government of India

Petroleum exports to France: From peak surge to sharp decline

India's petroleum export share in its goods exports to France rose sharply in the aftermath of the Russia-Ukraine conflict, in tandem with shifting global energy trade patterns. In FY2023, India's exports of refined petroleum products (HS 2710) surged by 66% over FY2022, increasing their contribution to nearly 17% of India's total goods exports to France, up from 12% in FY2022.

India's Petroleum Export Share in Overall Goods Exports to France (%), FY2022–FY2026*



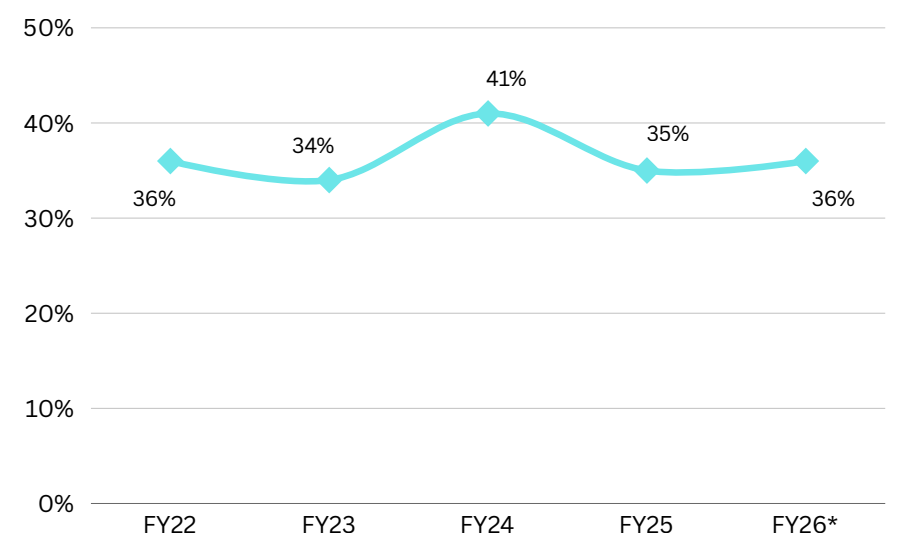
Note: *-All data for FY2026 is for the period April–November 2025. Petroleum refers to goods under HS code 2710
Source: Ministry of Commerce and Industry, GoI

This elevated share of 17% was sustained in FY2024 due to the immediate and strong impact of geopolitical disruptions on bilateral energy trade. However, the trend reversed thereafter, with the share moderating to 14% in FY2025 as export momentum softened. The decline became significantly sharper following the change in administration in the US under Donald Trump, amid evolving global trade and energy dynamics. During the first eight months of FY2026 (April–November 2025), India's refined petroleum exports to France contracted by nearly 80% compared to the corresponding period of the previous year. Consequently, their share in India's overall exports to France fell steeply to just 4%. This marked drop indicates a substantial realignment in energy trade flows and a reduced dependence on petroleum products in the bilateral export basket.

Aircraft imports from France soar, as defence upgrades and airline fleet expansions drive sustained demand

India's aircraft imports consistently account for a dominant share of its total goods imports from France, which makes aerospace trade critical and central to bilateral commerce. The share remained high at 36% in FY2022 and 34% in FY2023, before peaking at 41% in FY2024, indicating large-scale procurement during that year. Although it moderated to 35% in FY2025, aircraft still represented over one-third of India's total imports from France, and the share stood at 36% during April–November FY2026, reflecting continued strong inflows. A key driver on the defence side is the Inter-Governmental Agreement signed in April 2025 between India and France for the acquisition of 26 Dassault Rafale (Marine variant), strengthening India's naval aviation capabilities. On the commercial aviation front, Indian carriers have placed record-breaking orders with Airbus. In 2023, IndiGo, India's largest airline by market share, placed a firm order for 500 A320 family aircraft, one of the largest single aircraft orders globally. Further, in December 2024, Air India expanded its earlier order of 470 aircraft by purchasing an additional 100 Airbus planes, taking its total order book to 570 aircraft. Together, sustained defence procurements and massive commercial fleet expansion have kept aircraft as a cornerstone of India's import basket from France.

India's Aircraft Import Share in Overall Goods Imports from France (%), FY2022–FY2026*



Note: *-All data for FY2026 is for the period April–November 2025. Aircraft refers to goods under HS code 8802.
Source: Ministry of Commerce and Industry, GoI

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