

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
RAJYA SABHA
UNSTARRED QUESTION No.1492
ANSWERED ON 12/12/2025

FREE TRADE AGREEMENTS WITH TEXTILE CONSUMING MARKETS

1492. DR. ASHOK KUMAR MITTAL:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :-

- (a) the country-wise details on India's existing Free Trade Agreements (FTAs) with major textile-consuming markets such as the US, EU, UK, and Canada and current utilization rates by textile exporters;
- (b) the details on export unit-value differences (price realisation) between Indian textiles and those of FTA beneficiaries like Vietnam and Bangladesh;
- (c) the steps taken to accelerate negotiations for FTAs or preferential trade agreements (PTAs) with major textile-importing markets; and
- (d) whether the Government is considering prioritising a textile-focused FTA with the EU or US, given their large consumption and India's competitiveness gap, if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY

(SHRI JITIN PRASADA)

(a) US, EU, UK are major textiles import markets contributing to more than 50 percent of world imports and about 60 percent of India's textiles exports. India-UK Comprehensive Trade and Economic Agreement (CETA) has been signed on 24th July, 2025 and comes into force after ratification by both the countries. Under the Agreement, UK provides India market access to all textile lines at zero duties from date of entry into force. Negotiations for India-European Union (EU) Free Trade Agreement (FTA) and Bilateral Trade Agreement with the USA are ongoing. India has signed 15 Free Trade Agreements (FTAs) and 6 Preferential Trade Agreements (PTAs) with its trading partners. These FTAs/PTAs aim to reduce tariff and non-tariff barriers, simplify procedures, and address structural issues to make Indian exports including textiles more competitive in partner markets. Country wise status of FTAs and PTAs is at **Annexure**.

(b) Unit value price realizations differ across markets and products due to variation in tariff treatment, scale of economies, input cost structures, logistics efficiency, trade preferences etc. However, it is difficult to compare unit value realization across products and countries as commodities are reported in different units across countries.

(c) & (d) The Government of India prioritises trade negotiations with several countries to get market access and tariff advantages for India's exports including textiles.

The Government recognizes the importance of the EU and US as the world's largest textile-consuming markets and the role of FTAs in improving India's global competitiveness. The Government remains committed to enhancing the global competitiveness of the Indian textile sector through improved access to international markets under mutually beneficial trade agreements.

Annexure as mentioned in Part (a) in answer to the Rajya Sabha Unstarred Question No. 1492 for 12th December, 2025

India has signed 15 Free Trade Agreements (FTAs) and 6 Preferential Trade Agreements (PTAs) with its trading partners. A list of these FTAs and PTAs is provided below:

List of Free Trade Agreements (FTAs)

| Sl. No. | Name of the Agreement | Date of Signing of the Agreement | Date of Implementation of the Agreement |
|----------------|--|--|---|
| 1 | India - Sri Lanka FTA | 28 th December, 1998 | 1 st March, 2000 |
| 2 | Agreement on SAFTA (India, Pakistan, Nepal, Sri Lanka, Bangladesh, Bhutan, the Maldives and Afghanistan) | 4 th January, 2004 | 1 st January, 2006 (Tariff concessions implemented from 1 st July, 2006) |
| 3 | India Nepal Treaty of Trade | 27 th October, 2009 | This Treaty shall be automatically extended for further periods of seven years at a time, unless either of the parties gives to the other a written notice, three months in advance, of its intention to terminate the Treaty. |
| 4 | India - Bhutan Agreement on Trade Commerce and Transit | 17 th January, 1972 | Renewed periodically, with mutually agreed modifications. Agreement dated 29 th July 2006 was valid for 10 years. With mutual consent, the validity was extended for a period of one year or the period till the proposed new Agreement comes into force. The renewed Agreement has been signed on 12.11.2016 and came into force with effect from 29 July 2017, for a period of 10 years. |
| 5 | India - Thailand FTA - Early Harvest Scheme (EHS) | 9 th October, 2003 | 1 st September, 2004 |
| 6 | India - Singapore CECA | 29 th June, 2005 | 1 st August, 2005 |
| 7 | India - ASEAN- CECA - Trade in Goods, Services and Investment Agreement (Brunei, Cambodia, | 13 th August, 2009 for goods and November 2014 | Goods <ul style="list-style-type: none"> 1st January 2010 in respect of India and Malaysia, Singapore, Thailand. |

| | | | |
|----|--|---------------------------------|---|
| | Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam) | for Services and Investment | <ul style="list-style-type: none"> • 1st June 2010 in respect of India and Vietnam. • 1st September 2010 in respect of India and Myanmar. • 1st October 2010 in respect of India and Indonesia. • 1st November 2010 in respect of India and Brunei. • 24th January 2011 in respect of India and Laos. • 1st June 2011 in respect of India and the Philippines. • 1st August, 2011 in respect of India and Cambodia. <p>Services and Investment 1st July, 2015</p> |
| 8 | India - South Korea CEPA | 7 th August, 2009 | 1 st January, 2010 |
| 9 | India - Japan CEPA | 16 th February, 2011 | 1 st August, 2011 |
| 10 | India - Malaysia CECA | 18 th February, 2011 | 1 st July, 2011 |
| 11 | India - Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA) | 22 nd February, 2021 | 1 st April, 2021 |
| 12 | India-UAE CEPA | 18 th February, 2022 | 1 st May 2022 |
| 13 | India-Australia Economic Cooperation and Trade Agreement (Ind-Aus ECTA) | 2 nd April, 2022 | 29 th December 2022. |
| 14 | India-European Free Trade Association (EFTA) Trade and Economic Partnership Agreement (TEPA) (Iceland, Liechtenstein, Norway, and Switzerland) | 10 th March 2024 | 01 st October 2025 |
| 15 | India - UK Comprehensive Economic and Trade Agreement (CETA) | 24 th July 2025 | Will be implemented after completion of ratification process by India and the UK. |

List of Preferential Trade Agreements (PTAs)

| Sl. No. | Name of the Agreement | Date of Signing of the Agreement | Date of Implementation of the Agreement |
|----------------|--|--|---|
| 1 | Asia Pacific Trade Agreement (APTA) (Bangladesh, China, India, Republic of Korea, Lao People's Democratic Republic, Sri Lanka and Mongolia) | July, 1975 (revised on 2 nd November, 2005) | 1 st Nov, 1976 |
| 2 | Global System of Trade Preferences (GSTP) (Algeria, Argentina, Bangladesh, Benin, Bolivia, Brazil, Cameroon, Chile, Cuba, Democratic People's Republic of Korea, Ecuador, Egypt, Ghana, Guinea, Guyana, India, Indonesia, Iran, Iraq, Libya, Malaysia, Mexico, Morocco, Mozambique, Myanmar, Nicaragua, Nigeria, Pakistan, Paraguay, Peru, Philippines, Republic of Korea, Singapore, Sri Lanka, Sudan, Thailand, Trinidad and Tobago, Tunisia, Tanzania, Uruguay, Venezuela, Viet Nam and Zimbabwe) | 13 th April, 1988 | 19 th April, 1989 |
| 3 | SAARC Preferential Trading Agreement (SAPTA) (Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka) | 11 th April, 1993 | 7 th December, 1995 |
| 4 | India - Afghanistan | 6 th March, 2003 | 13 th May, 2003 |
| 5 | India – MERCOSUR (Argentina, Brazil, Paraguay and Uruguay) | 25 th January, 2004 | 1st June, 2009 |
| 6 | India - Chile | 8 th March, 2006 | 11 th September, 2007. The agreement has been expanded on 6 th September, 2016 and came into force w.e.f. 16 th May, 2017. |
