

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 2692
ANSWERED ON 05/08/2025

INDIA-UK FTA NEGOTIATIONS

2692. DR. MALLU RAVI:

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

- (a) the current status of the India–UK FTA talks;
- (b) the measures to ensure complementarity; and
- (c) the expected innovation-sector investments?

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) to (c) The Prime Ministers of India and UK had announced the successful conclusion of India-UK FTA negotiations on 6th May, 2025. The trade deal, which has been named as Comprehensive Trade and Economic Agreement (CETA), has been signed on 24th July, 2025. CETA provides an unprecedented duty-free access to almost 99 per cent of India's exports to the UK, covering nearly 100% of the trade value. This includes labour-intensive sectors such as textiles, leather, marine products, gems and jewellery, and toys as well as high-growth sectors like engineering goods, chemicals, and auto components etc. This will spur large-scale employment generation, empowering artisans, women-led enterprises, and MSMEs. The services sector, a strong driver of India's economy, will also see wide-ranging benefits. The agreement provides greater market access in IT and IT-enabled services, financial and legal services, professional and educational services, and digital trade. Indian professionals, including those deployed by companies to work in UK across all service sectors, professionals deployed on contracts such as architects, engineers, chefs, yoga instructors, and musicians, will benefit from simplified visa procedures and liberalised entry categories, making it easier to work in the UK. India has also secured an agreement on the Double Contributions Convention. This will exempt Indian professionals and their employers from social security payments in the UK for up to three years. The agreement has been designed to make trade more inclusive. Women and youth entrepreneurs, farmers, fishermen, startups, and MSMEs will gain new access to global value chains, supported by provisions that encourage innovation, promote sustainable practices, and reduce non-tariff barriers. The press note issued by the Department in this regard may be seen at <https://www.pib.gov.in/PressNoteDetails.aspx?NotelId=154945&ModuleId=3>. India has opened 89.5% of its tariff lines, while safeguarding sensitive sectors like dairy, cereals, and certain essential oils. The CETA has a dedicated chapter on Innovation, objective of which is to support innovative processes and trade in innovative products, as well as economic growth between the Parties, by further enhancing collaboration on innovation.
