

The background features a large white semi-circular shape in the center. To the left of this shape is a solid green area. Below the white shape is a large orange area. To the right of the white shape is a solid blue area.

INDIA TRADE DEALS WITH THE U.K. AND THE U.S.

WITH THE U.K.

How India fits into the U.K.'s Global Britain strategy

THE U.K.'S GLOBAL BRITAIN STRATEGY

The withdrawal from the E.U. not only reoriented its domestic governance and economic policies but also necessitated a fundamental rethinking of its global role.

The U.K. government articulated the concept of '**Global Britain**'.

Aimed at reasserting the nation's international influence through

- Trade partnerships
- Diplomatic influence
- Strategic cooperation beyond Europe

This recalibration of foreign policy seeks to position the UK as

- dynamic
- outward-looking
- capable of thriving in a multipolar world

Reflects both **necessity** and **ambition**

INDIA EMERGED AS KEY PARTNER IN SHAPING THE UK'S POST-BREXIT IDENTITY

- As one of the fastest-growing major economies
- As a rising geopolitical power in the Indo-Pacific
- Because of the long-standing historical, cultural and linguistic ties
- Because of shared democratic values
- Because, and that's a key point, their complementary economic strengths

The contemporary relationship transcends its colonial past

Pragmatic cooperation in

- Digital innovation
- Climate change
- Defense
- Higher education
- Global governance



ECONOMIC DIPLOMACY

The asymmetry in their economic relationships means there are real **opportunities** on both sides but also **tension**

- The UK seeks liberalised markets for its services, technology and financial sectors
- India prioritises the protection of its domestic industries and its employment
- = **self-reliance framework**

Another serious bone of contention are **visas for Indian workers**

(cf file on immigration)





May 2025 – Free Trade Agreement (FTA)

MAY 6 2025 – FREE TRADE AGREEMENT (FTA)

<https://www.gov.uk/government/publications/uk-india-trade-deal-conclusion-summary/uk-india-trade-deal-conclusion-summary>

The UK has secured the best deal that any country has ever agreed with India. By unlocking new opportunities for businesses across the UK, this agreement helps to deliver economic growth and supports the Plan for Change.

MAY 6 2025 – FREE TRADE AGREEMENT (FTA)

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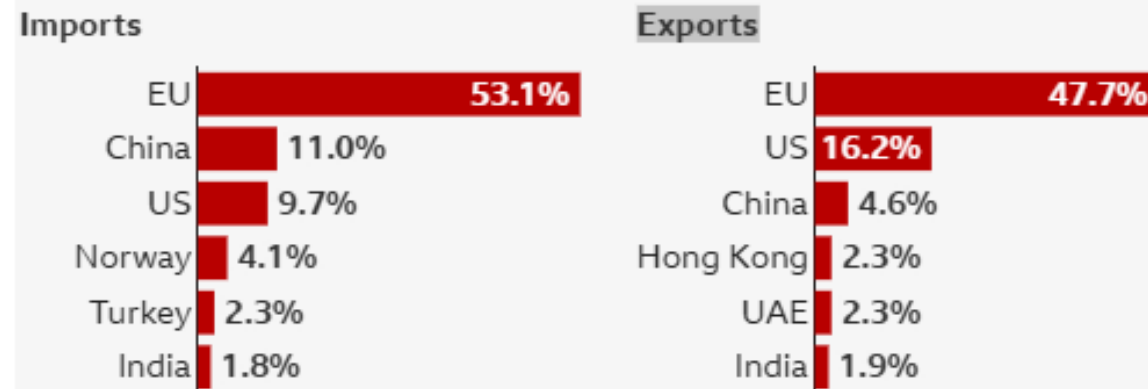
This deal has been a long time in the making, with on-off negotiations going on for some three years.

The UK's deal with India is its third biggest after its agreements with Australia and Japan. For context, the UK has signed trade deals and agreements in principle with about 70 countries and one with the EU.

The EU is the biggest trade partner for both the UK and India. Therefore, a free trade agreement between India and the EU would be more significant than the one with the UK. Both India and the EU have said they aim to finalise this by the end of 2025.

India accounts for about 2% of the UK's goods trade

Percentage of value of goods exports and imports for selected trading partners, 2024



Source: Office for National Statistics

BBC

FTA – WHAT HAS BEEN AGREED?

The UK has lowered taxes on goods imported from India including:

- clothing and footwear
- food products including frozen prawns
- jewellery and gems
- some cars

India has cut taxes on goods imported from the UK including:

- cosmetics
- scotch whisky and gin
- soft drinks
- higher-value cars
- food including lamb, salmon, chocolate and biscuits
- medical devices
- aerospace
- electrical machinery

The deal will also allow British firms to compete for more services contracts in India.

FTA – WHAT HAS BEEN AGREED?

- But it does includes a **three-year exemption on the social security paid by Indian employees working in the UK**, on short-term visas. They will only pay social security contributions in their home country.
- This agreement, known as the **Double Contribution Convention (DCC)**, is designed to ensure social security contributions are not made in more than one country.
- The UK has similar reciprocal DCC agreements with 17 other countries including the EU, the US and South Korea.

MAY 6 2025 – FREE TRADE AGREEMENT (FTA)

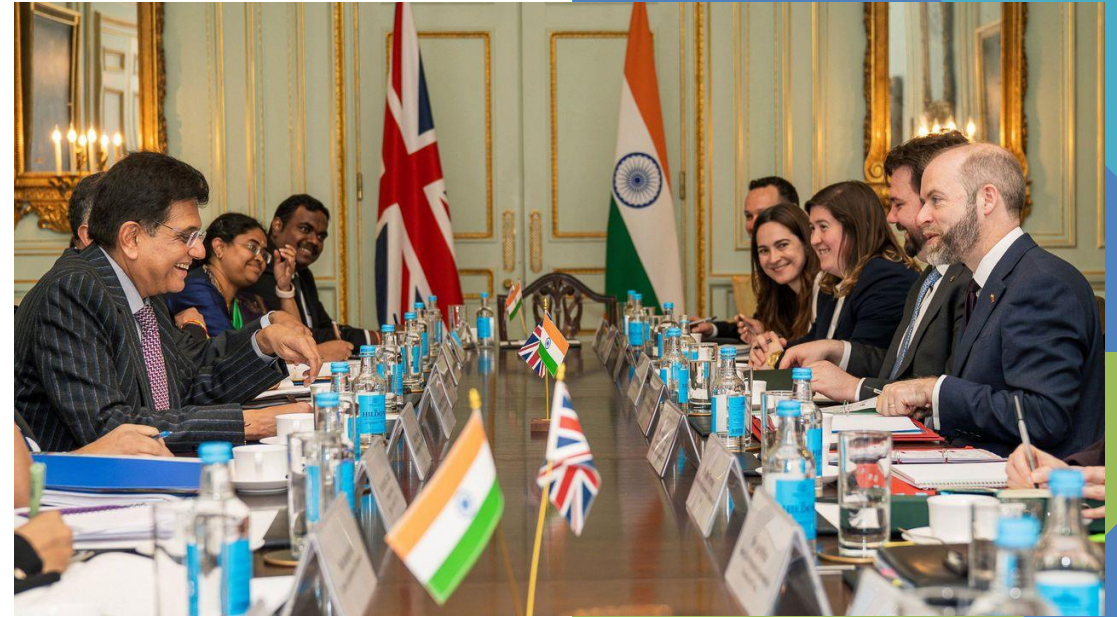
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However, it appears US President Donald Trump's introduction of tariffs on goods entering America has prompted other world leaders to consider striking free-trade deals with one another.

Britain | The start of the deals

The Britain-India trade deal is a sign of things to come

American tariffs are likely to accelerate bilateral trade deals



REACTION TO DONALD TRUMP'S TRADE WAR?

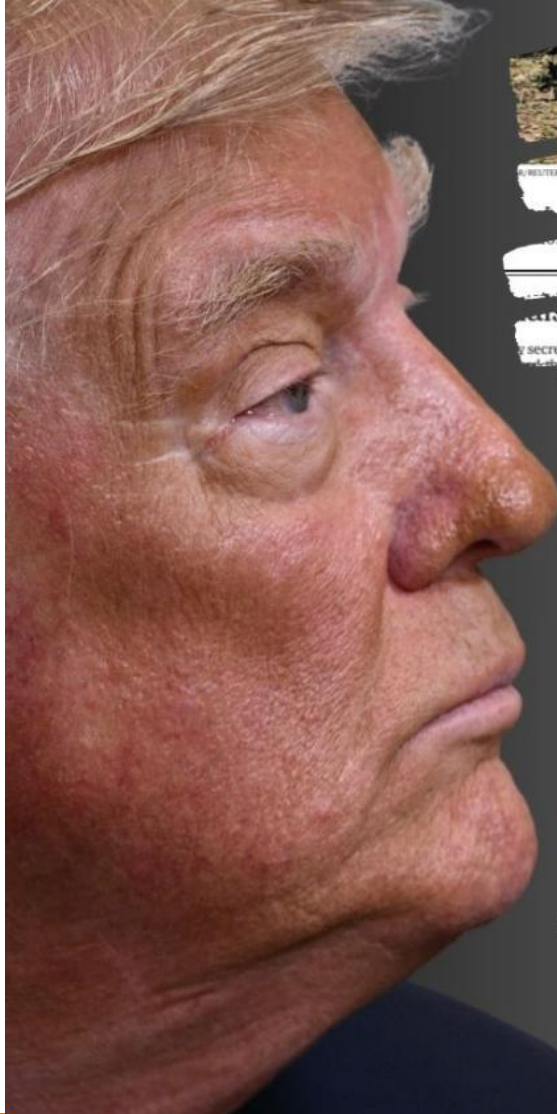
However, it appears US President Donald Trump's introduction of tariffs on goods entering America has prompted other world leaders to consider striking free-trade deals with one another.

That alone makes the trade deal agreed between India and Britain on May 6th significant—perhaps even a “landmark”, as Britain’s prime minister and his opposite number, Narendra Modi, claimed. The deal will add a useful boost to trade between the world’s fifth- and sixth-largest economies. Beyond that, as the first major agreement since Donald Trump’s tariffs came into effect in April, it points to how America’s disruption of global trade could accelerate bilateral negotiations around the world. What was—and wasn’t—included here will be studied closely elsewhere.



WITH THE U.S.

From bromance to breakdown



NEWS ANALYSIS

Being Trump's 'Friend' Gains Little for Modi, Indians Say

By MUJIB MASHAL

NEW DELHI — For years, Prime Minister Narendra Modi of India has moved his country closer to the United States, in particular by focusing on his relationship with President Trump, whom he has called a "true friend."

The much-touted bond, nurtured through platitudes and joint appearances at stadium rallies during Mr. Trump's term, led one television pundit to call the relationship "pathetic to India's loss."

But what "they have extricated themselves from" is the "chemistry" of the relationship, according to the pundit.



Hindustan Times

FIRST VOICE LAST WORD

Trump confirms 25% tariff, penalty for India from Aug 1

UNSC report in to attack in Pal

Debate in

WASHINGTON PLAYS HARDBALL

What key players said

SECTION-SPECIFIC STAKING	INDIA	U.S.
Steel	50%	75%
Aluminum	25%	50%

to

The Shocking Rift between India and the United States

...ess in the Partnership. Survive



THE END OF THE BROMANCE

Modi hails US-India 'mega partnership' in Trump meeting

14 February 2025

Share  Save 

Jude Sheerin, Jaroslav Lukiv and Koh Ewe

BBC News, Washington DC, London and Singapore



Watch: Trump and Modi say meeting will revolve around trade

India says over 1,000 nationals deported by US since January

30 May 2025

Share  Save 

Trump's Tariffs Leave Modi Between a Rock and a Hard Place, and the Economy on the Ropes

Today's WorldView

The end of the Trump-Modi bromance

Trump's tariffs against India threatens to end Washington's decades-long, bipartisan consensus to forge stronger U.S.-India ties

August 11, 2025

A DEAL COMING SOON?

First phase of India-US trade deal nearing closure; to address tariff issues: Official

The Economic Times, Nov 27

India and the United States are close to finalizing the first phase of a bilateral trade agreement. This crucial deal aims to resolve significant tariff issues, including the hefty 50 percent tariffs imposed by the Trump administration on Indian goods. It also addresses America's market access concerns.



A DEAL COMING SOON?

Resilient domestic economy gives India space to negotiate U.S. trade deal, sources say

REUTERS - November 20, 2025

1. Limited export hit from U.S. tariffs eases pressure in talks
2. U.S.-bound exports fell 8.6% y/y in October vs 12% in September
3. Exporters offset losses through diversification and discounts
4. India faces tougher competition from cheaper Chinese goods





THANK YOU