



Department of Commerce
Ministry of Commerce and Industry
Government of India

India's Free Trade Agreements (2025-26)- Key Highlights¹

Sl. No.	Name of the Agreement	Date of Signing of the Agreement	Date of Implementation of the Agreement	Page no.
1.	India – United States of America (USA) framework for an interim Agreement	Announced on Feb 2, 2026		2
2.	India – The European Union (EU) FTA	Announced on Jan 27, 2026		5
3.	India -New Zealand FTA	Announced on Dec 22, 2025		7
4.	India – Oman Comprehensive Economic Partnership Agreement (CEPA)	18 th December 2025	To be implemented after completion of ratification process by India and the Oman.	9
5.	India – UK Comprehensive Economic and Trade Agreement (CETA)	24 th July 2025	To be implemented after completion of ratification process by India and the UK.	11

¹ The objective of this publication is to provide a snapshot of the Agreements signed, operationalized or announced in 2025-26. The information provided herein does not create any legal rights. For legal rights and obligations, readers may refer to the text of the Agreement.

India – United States of America (USA) Framework for an Interim Agreement

Goods

U.S. Tariffs on Indian exports

Tariffs

- The U.S. will provide preferential market access to Indian goods, including textile and apparel, leather and footwear, plastic and rubber, organic chemicals, home décor, artisanal products, certain machinery, etc.
- Subject to the conclusion of the Interim Agreement, the U.S. will reduce additional tariff on India to 0% on a wide range of products, such as gems and diamonds, aircraft parts, generic pharmaceuticals, certain machinery and parts, vegetable saps, certain instruments and apparatus, certain plastic and rubber, certain auto parts, etc.

Section 232 National Security Tariffs

India to receive concessions for products where tariffs have been imposed pursuant to Section 232 investigations:

- The U.S. will remove the additional tariffs on certain aircraft and aircraft parts of India imposed under U.S. Section 232 proclamations on steel, aluminium and copper, and their derivatives.
- The U.S. will provide preferential tariff rate quota for Indian automotive parts facing additional tariff imposed under Section 232 proclamation, consistent with the U.S. national security requirements.
- The U.S. will also provide negotiated outcomes with respect to generic drugs and pharmaceutical ingredients from India, subject to the findings of Section 232 investigation of pharmaceuticals and pharmaceutical products.

Exempted Items

- Items such as certain minerals, hydrocarbons, certain paper items, tea and coffee, spices, bakery products, certain fruits, certain processed foods, are expected to attract 0% tariff subject to U.S. policy for exemptions of certain items
- The agreement will provide opportunities to Indian farmers and fishermen to enhance their exports in their areas of strength, such as marine products, basmati rice, spices, tea and coffee, oilseeds, and certain fruits. It will also provide preferential access to a big market for

agroforestry-linked products such as vegetable saps, waxes, nuts, plating material, coconut, poppy seeds, vegetables and certain roots, along with processed fruit products such as juices, pulp and jams. The concessions open huge American annual import market of more than Rs.14 lakh crore.

Protection of sensitive products

- India has fully protected its sensitive agricultural sectors through a carefully designed Exclusion Category, ensuring no tariff concessions on key products such as Rice, Wheat, Poultry, Dairy, Soyameal, Maize, Millets, Groundnuts, Honey, Tobacco etc.
- **No sensitive products in “additional products”:** - The term “additional products” in the Joint Statement does not include sensitive agricultural products. Sensitive products such as Rice, Wheat, Poultry, Dairy, Soyameal, Maize, Millets, Groundnuts, Honey, Tobacco etc are not covered within the scope of Agreement and are thus excluded from any tariff concessions. As it is not possible to write full list of products in the Joint Statement, only important ones are highlighted and those which are not important and sensitive are not mentioned.
- India has offered limited and carefully calibrated tariff concessions on select agricultural products while safeguarding domestic sensitivities through quotas, phased concession and partial duty reductions. On products such as Apples, Walnuts and Soyabean Oil where India imports in significant quantities due to domestic demand exceeding production, concession is limited and quota-based so that imports help in diversification of sourcing. The quotas are well within current global imports so that supply gaps are met without adversely affecting Indian farmers. Similarly, in the backdrop of growing demand, animal feed related products such as Non LMO DDGS and Non-GM Red Sorghum, have been considered in limited quantities and with partial tariff concessions so that there is no adverse impact on domestic feed crops. Likewise, Cotton has been offered in a calibrated quota-based concession considering India’s existing trade pattern of both importing and exporting cotton and cotton products to meet quality requirements.

Other commitments

- India and the United States have agreed that in the event of any adjustment to the agreed tariffs by either country, the other country may modify its commitments to preserve reciprocity and mutual benefit
- India is one of the fastest growing economies with rising demand for cost competitive, reliable and diversified sources for energy products, high technology items to propel its domestic manufacturing, exports, innovation and integration with global supply chain. Accordingly, India intends to purchase energy products, aircraft and aircraft parts, Information and Communication technology (ICT) products, coking coal and other products worth \$500 billion from the U.S. over the next 5 years.



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- India and the U.S. are the leaders in digital trade with significant complementarities and growth potential. Through the BTA, both countries have committed to build a robust, ambitious and mutually beneficial digital trade relationship.
- With a view to encourage development of ecosystem for high-quality products, India will engage with the U.S. For the purposes of enhancing ease of compliance with applicable technical regulations, both countries intend to discuss their respective standards and conformity assessment procedures for mutually agreed sectors.

India-EU FTA

Goods

- Preferential Market Access on **96.8% of tariff lines which covers 99.5% of India's exports. 90.7% of exports (by trade value)** to the EU to become duty-free on entry into force of the Agreement.
- Exports of more than **USD 33 billion in labour intensive sectors** like Apparel, Textiles, Leather and Footwear, Gems and Jewellery, etc. set to benefit from duty free access from entry into force.
- **Preferential Market Access to around 87% tariff lines of Agriculture products** of key interest for India such as tea, coffee, spices, table grapes, cucumber and gherkins, dried onion, sweet corn, select fresh vegetables and fruits as well as processed food products.
- **Protection of Sensitive products:-India has excluded Sensitive products under Agri like** dairy, cereals, poultry, soymeal, certain fruits & vegetables etc.

Services

- Market access in **144 subsectors of Services** (IT/ITeS, Professional Services, Other Business Services and Education Services)
- Facilitative and **predictable framework** for business mobility covering short-term, temporary and business travel
- **AYUSH practitioners** will be able to provide their services **in EU using the professional qualifications they gain in India**
- **Continuing engagement on Social Security Agreements-13 existing, 7 under negotiations.**
- **Facilitative framework in EU for Indian students**
- **Driving digital services: -Boost to Global Capability Centres (GCCs), digital payments and digitally delivered services**

Other Commitments

- **Annex on CBAM** aims towards MFN treatment, dialogue to strengthen cooperation and support to reduce greenhouse gas emissions
- **Non-Violation Clause and Rapid Reaction Mechanism** to safeguard market access
- Product Specific Rules aligned with existing Supply Chains, **focussed on EoDB and MSME friendly.**

India-New Zealand Free Trade Agreement

Goods

- **Unprecedented Market Access for Indian Exports:** Zero duty on 100% of Indian exports to New Zealand from entry into force. Benefit for Agriculture and Processed Food Products, Textiles & Clothing, Leather & Footwear and Engineering Goods.
- **Protection of Sensitive products:** Products such as Dairy (milk, cream, whey, yoghurt, cheese etc.), animal products (other than sheep meat), vegetable products (onions, chana, peas, corn, almonds etc.), sugar, artificial honey, Animal, vegetable or microbial fats and oils have been excluded from tariff concessions.

Services

- Market Access commitments to India in New Zealand across **118 services sectors/sub-sectors**, with Most-Favoured Nation (MFN) treatment in **139 sectors/sub-sectors**.
- Guarantees a minimum of **20 hours per week** work during study, and provides extended post-study work opportunities-up to **three years** for STEM Bachelor's and Master's graduates, and up to **four years** for Doctorate holders-creating clear pathways for skills and global careers.
- **5,000-visa pathway** for skilled Indian professionals in sectors of interest to India occupations, including IT, engineering, healthcare, education, construction and Indian iconic occupations like AYUSH practitioners, chefs, music teachers and yoga instructors.
- Working Holiday Visa access for **1,000** young Indians annually for a period of 12 months.
- **Promoting Health, Wellness and Traditional Medicine**

Health & Traditional Medicine Annex: For the first time, New Zealand has signed an annex to facilitate trade in Ayurveda, yoga, and other traditional medicine services with India.

Other Commitments

- **Investment Commitment:** New Zealand has committed to facilitating USD 20 billion investment into India over 15 years, thereby supporting manufacturing, infrastructure, job creation.
- **Boost to Pharma and Medical Devices through faster regulatory Access:** Streamlined access for pharmaceuticals and medical devices by enabling acceptance of GMP and GCP inspection reports from comparable regulators, including approvals by the US FDA, EMA, UK MHRA, Health Canada and other comparable regulators.



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- **Strong Gains for Agriculture & Processed Foods:** Enhanced access for fruits & vegetables, cereals, spices, coffee, and processed foods. New Zealand is delivering innovative Agriculture Productivity Action Plans for kiwifruit, apples, and honey to improve productivity, quality, and sectoral capabilities. The cooperation includes the establishment of Centres of Excellence, improved planting material, capacity building for growers, collaborative research, and technical support for orchard management, post-harvest practices, supply chain performance and food safety.

India-Oman CEPA

Goods

- India has secured 100% duty-free market access for its exports to Oman, covering 98.08% of Oman's tariff lines, representing 99.38% of India's export value (average 2022–23). Key beneficiary sectors include textiles and apparel, agricultural and processed food products, transport equipment, precision instruments, marine products, and gems & jewellery, among others. All zero- duty concessions apply from Day One of the Agreement's entry into force.
- CEPA opens new opportunities in minerals, chemicals, base metals, machinery, plastics/rubber, auto components, instruments, glass/ceramic/marble and paper, with enhanced access to Oman's USD 28+ billion import market, supported by streamlined procedures and faster market entry.
- **Protection of Sensitive Sectors:** India has placed 2,789 tariff lines in the exclusion list, protecting key domestic sectors including transport equipment, major chemicals, cereals, fruits and vegetables, spices, coffee and tea, and animal-origin products. Sensitive value-chain industries such as rubber, leather, textiles, footwear, petroleum oils and mineral-based products are safeguarded to protect manufacturing competitiveness and farmer interests. Strategic agricultural products such as dairy, meat, cereals, oilseeds, vegetable oils and sugar remain excluded. Jewellery, precious and non-ferrous metals and petroleum products are also protected.

Services

- GATS-plus market access and national treatment commitments across 127 services sub-sectors, including professional services (legal, accounting, engineering, medical, allied services), computer and related services, audio-visual, education, environmental services, health, tourism.
- Intra-Corporate Transferee (ICT) ceiling has been enhanced from 20% to 50%, enabling Indian companies to deploy more managerial and specialist personnel.
- For the first time in any FTA, Oman has committed for a defined category of professionals, including accounting, engineering, medical, IT, education, construction and consulting services.
- Annex on Health and Traditional Medicine Services provides a framework for cooperation in licensing and qualification procedures, recognition of experience, digital licensing examinations, medical value travel, capacity building, harmonisation of standards and joint research.

Other commitments

- First-of-its-kind provision on mobility in manufacturing and other non-services sectors, providing binding assurances for Indian workers engaged in industrial activities—particularly relevant in the context of Oman’s Omanisation policy and supporting Indian investments and joint ventures.
- The Agreement also mandates engagement towards a Social Security Agreement (SSA), which, once concluded, will help ensure portability of benefits and avoid dual social security contributions.
- **Pharmaceuticals:** Fast-tracking of marketing authorisations for products approved by USFDA, EMA, UK MHRA and other stringent regulators, along with acceptance of GMP inspection documents, significantly reducing approval timelines and compliance costs.
- **Halal and Organic Products:** Recognition of halal certification systems and India’s NPOP certification to avoid duplication of testing and certification, thereby facilitating smoother market access.

India-UK CETA

Goods

- 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.**
- Zero-duty concessions across the board, with zero duty Tariff Rate Quota (TRQ)-based concessions on electric vehicles (EVs)—four times larger than India's EV quota.
- All zero-duty concessions kick in from Day One of the agreement's entry into force. Presently, 48.2% of India's export value (47.3% of TLs) enters the UK at zero duty under the MFN regime.
- India's major exports—from **labour-intensive sectors** like textiles, gems & jewellery, leather and footwear, organic chemical, artisanal products and ceramics to high-value goods like auto parts, machinery, pharmaceuticals, and processed foods—are set to gain a **massive edge with zero-duty access to the UK**, improving competitiveness of Indian goods in UK market
- **A big win for Indian agriculture:** The UK market opens up duty-free for nearly all Indian agri- exports, with just a few limited exceptions like pork, chicken, eggs, rice, and sugar.
- **Protection of sensitive sectors:-** India has **safeguarded its sensitive sectors**—dairy, cereals and millets, pulses, and vegetables to high-value items like gold, jewellery, lab-grown diamonds, and certain essential oils. Strategic exclusions also cover critical energy fuels, marine vessels, worn clothing, and critical polymers and their monofilaments, smart phones, optical fibres.

Services

- The services sector, a strong driver of India's economy, will also see wide-ranging benefits. UK has provided comprehensive and **deep market access in 137 sub-sectors** in areas of India's interest such as **IT/ITeS, Business Services, Professional Services, Financial, Telecom and Education services**. 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.

Other Commitments

- Both sides also reached an understanding during signing of the agreement to conclude an **Agreement on Social Security**, which will come into force at the same time as CETA. The



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Agreement on Social Security relating to Social Security Contributions has been signed by Foreign Secretary Shri Vikram Misri and the British High Commissioner to the Republic of India, Ms. Lindy Cameron on **10th February 2026**. The Agreement seeks to avoid double social security contributions for employees of both countries on temporary assignments in each other's territories for periods of up to 36 months. The Agreement will support mobility and continued social security coverage of the employees on short-term overseas assignments. This will enhance India-UK partnerships in the service sector, leveraging the high skills and innovative service sectors of both countries.
