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TRADE POLICY REVIEW

REPORT BY

INDIA

Pursuant to the Agreement Establishing the Trade Policy Review Mechanism (Annex 3 of the Marrakesh Agreement Establishing the World Trade Organization), the policy statement by India is attached.

Note: This report is subject to restricted circulation and press embargo until the end of the first session of the meeting of the Trade Policy Review Body on India.

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1 INTRODUCTION

1.1. The period under review was marked by heightened uncertainties and geopolitical tensions, and the adoption of various trade measures by Members, which constrained market access and disrupted global supply chains. In response to these challenges, India undertook a range of measures to stabilize, re-energize, and strengthen the economy, while keeping developmental objectives at the core of its policy framework.

1.2. India's economy is projected to grow robustly and remain highest growing among major economies, with sustained momentum supported by resilient domestic demand, public investment, and macroeconomic stability.[1] The continued strength of India's economic performance underscores its resilience in an environment of persistent global uncertainty and highlights the robustness of its underlying economic fundamentals. Despite ongoing geopolitical and economic headwinds, India has continued to expand its engagement and presence across multiple markets, reinforcing its role as a key player in the global economic landscape.

1.3. The Government has pursued a coordinated set of policy, systemic, and infrastructure reforms to strengthen India's trade ecosystem and sustain momentum amid global uncertainty. Significant investments in digital and physical infrastructure spanning telecommunications, logistics, connectivity, trade facilitation and regulatory systems have been complemented by a new Foreign Trade policy (FTP 2023). Rationalization of procedures, simplified clearances, and legal and regulatory reforms aimed at improving ease of doing trade have been carried out during the period under review. Digitalization has been mainstreamed as a core instrument of trade policy, enabling end-to-end electronic processes, data-driven monitoring, and faster policy response. Digital platforms to support evidence-based decision-making, coordinated stakeholder engagement, and timely trade remedial action. Collectively, these reforms have reduced transaction costs, strengthened institutional capacity, and reinforced India's trade competitiveness.

1.4. India's export strategy over the last decade has increasingly leveraged Free Trade Agreements (FTAs) and Comprehensive Economic Partnerships (CEPA/ECTA) to enhance market access, improve economic partnership and enhance integration with global value chains. Currently, India has 19 active FTAs, and since 2021 has significantly intensified its engagement, having signed or concluded negotiations for eight major agreements. This renewed momentum reflects a strategic shift towards securing durable market access, reducing tariff and non-tariff barriers, and linking Indian exporters with regional and global value chains. During the period under review, India advanced negotiations and concluded new-generation trade partnerships with many economies, including the India Mauritius CECPA, UAE-India CEPA, Australia-India ECTA, India-UK Comprehensive Economic and Trade Agreement (CETA), and the Trade and Economic Partnership Agreement with the EFTA States, while also pursuing comprehensive agreements with the European Union and New Zealand. Together, these initiatives underscore India's emphasis on building modern, balanced, and mutually beneficial trade partnerships aligned with long-term growth and competitiveness objectives.

1.5. During the reporting period, a sustained growth of more than 7% has been recorded in all the years, this momentum continues in FY2025/2026 despite persistent global uncertainties with 7.6% growth. As per recent estimates, broad based growth has been estimated in all the sectors: Secondary Sector (9.1%) with Manufacturing (11.5%), Electricity, gas, water and other utility services (1.5%), Construction (7.1%), Primary sector including agriculture & mining (2.6%), and Tertiary sector (9%).[2]

1.6. During FY2024/2025, India's total merchandise and services exports reached a record level of USD 825.3 billion, growing at a CAGR of 6.8% from USD 676.5 billion in 2021-2022. Average annual exports during the current review period (2021-2022 to 2024-2025) increased to USD 764.1 billion, compared with USD 484.0 billion in the previous review period (2015-2016 to 2019-2020), reflecting a growth of 57.9%.

[1] https://www.imf.org/-/media/files/publications/weo/2025/october/english/ch1.pdf.
[2] https://mospi.gov.in/uploads/latestReleases/latest_release_1772189865181_f040336d-bc57-4aed-b80f-586d9ccb279e_Press_Note_on_New_Series_of_GDP_Estimates_with_Base_Year_2022-23_27022026.pdf.

2 ECONOMIC ENVIRONMENT, TRADE AND INVESTMENT

2.1 India's economic environment

2.1.1 Growth overview

2.1. India's GDP performance in recent years has reflected resilience, recovery, and consolidation. Following the pandemic-induced contraction, the economy staged a strong rebound and has since sustained high growth rates above 7%, establishing the fastest-growing among major economies.

2.2. The growth has been characterized by a gradual shift from post-crisis recovery to structurally supported expansion, driven by strengthening domestic demand, rising investment activity, and a services-led growth engine complemented by improving industrial performance. Macroeconomic stability has reinforced this momentum, with contained inflation, healthier banking and corporate balance sheets, and improved fiscal management. Overall, the trajectory of GDP growth over the review period indicates a more balanced, investment-oriented, and durable growth path, providing a strong foundation for medium-term economic expansion despite global uncertainties.

2.3. Further, India's macroeconomic position remains strong with real GDP growth estimated at 7.4% in FY2025/2026, with a new base year of 2022-2023. Manufacturing sector has been the major driver in contributing to the resilient performance of the economy in consecutive three financial years with new based year. This sector has attained double digit growth rates in FY2023/2024 and FY2025/2026. Secondary and Tertiary sectors have boosted the performance of the economy by registering above 9.0% growth rate in FY2025/2026.[3]

2.1.2 Savings and investment

2.4. Investment remains a key growth driver, with Gross Fixed Capital Formation growing by about 7.8% and sustaining a high level of nearly 30% of GDP, largely supported by public capital expenditure. The Central Government's capital expenditure is budgeted at INR 11.21 trillion[4] in FY2025/2026, amounting to around 4% of GDP and marking a more than fourfold increase since FY2018. Inflation remained tamed and within the RBI's tolerance band of 2–6%, reinforcing macroeconomic stability.

2.5. Following the COVID-19 shock, the Central Government steadily scaled up capital expenditure from INR 4.1 trillion in FY2020/2021 to INR 5.9 trillion in FY2021/2022 and INR 7.3 trillion in FY2022/2023. This was followed by a sharp expansion to about INR 10 trillion in FY2023/2024 and INR 11.11 trillion in FY2024/2025. For FY2025/2026, capital expenditure has been budgeted at INR 11.21 trillion, sustaining the post-pandemic investment levels.[5,6]

2.6. Domestic savings have provided a stable base for financing investment, supported by rising household incomes, remittance inflows, and an expanding formal financial system. The gross savings rate has stayed broadly above 30% of Gross Domestic Product (GDP)/Gross National Disposable Income (GNDI) during FY2021/2022 to FY2023/2024. This may have contributed to servicing India's domestic investment needs in particular.

2.1.3 Inflation

2.7. CPI inflation for FY2025/2026 is projected at around 2%, indicating continued price stability and anchoring of inflation expectations. CPI inflation in India has moderated since FY2021/2022, after remaining elevated in the aftermath of the pandemic due to supply disruptions and high global commodity prices. Inflation averaged about 6.7% in both FY2021/2022 and FY2022/2023, before easing to around 5.4% in FY2023/2024 and declining further to approximately 4.6%

[3] https://www.mospi.gov.in/uploads/latestReleases/latest_release_1767781372753_1380ce82-f5a5-440d-99e6-e6b35af0deb5_GDP_Press_Note_on_FAE_2025-26.pdf.
[4] *See*, Data note in Annex I.
[5] https://www.pib.gov.in/Pressreleaseshare.aspx?PRID=2097902&reg=3&lang=2.
[6] https://prsindia.org/files/budget/Finance_of_the_Central_Government_2019-20_to_2024-25.pdf.

in FY2024/2025. the Reserve Bank of India expects CPI inflation in FY2025/2026 to further moderate to around 2.5–3%, with lower inflation readings anticipated during the middle of the year.[7]

2.1.4 Employment and labour market scenario

2.8. During the reporting period, Labour Force Participation Rates (LFPR) show a consistent strengthening followed by stabilization, with rural participation remaining structurally higher than urban participation throughout the period. In rural areas, overall LFPR (persons aged 15+ in usual status) increased from 58.5% in 2022 to 63.4% in 2023, before stabilizing at around 63% in 2024 (62.9%) and 2025 (62.8%). In urban areas, LFPR increased more gradually, rising from 50.0% in 2022 to 51.4% in 2023, and further to 52.2% in 2024, where it remained unchanged in 2025 (52.2%). Further, Labour Force Participation Rate (LFPR) in usual status (Principal Status+ Subsidiary Status) for persons of age 15 years and above observed as 59.3% during 2025 and remained stable compared to 2024. The same for male and female stood at 79.1% and 40.0%, respectively, in 2025.

2.9. Labour force participation has shown a significant improvement followed by stabilization over the reporting period, with rural participation consistently higher than urban participation. From the post-pandemic years onwards, labour force engagement strengthened, particularly due to rising female participation, and these gains were sustained through 2024 and 2025. In the latest year, the overall Labour Force Participation Rate (LFPR) for persons aged 15 years and above stood at 59.3% in 2025, remaining stable compared to 2024, indicating consolidation after earlier increases. Rural areas continued to demonstrate strong labour market engagement, with rural female LFPR at 45.9% in 2025, while urban LFPR for both men and women remained broadly unchanged, supported by recovery in services and salaried employment.

2.10. Unemployment trends over the same period point to a steady decline and subsequent stabilization, reflecting improved labour absorption in both rural and urban areas. Rural unemployment fell sharply and stood at 2.4% in 2025, underscoring strong employment absorption, with rural female unemployment particularly low at 2.1%. Urban unemployment, while higher than rural levels, also recorded improvement, declining to 4.8% in 2025, with reductions observed for both men and women. At the aggregate level, the overall unemployment rate stood at 3.1% in 2025, marking sustained progress compared to earlier years.

2.11. Throughout these years, rural unemployment consistently remained lower than urban unemployment, underscoring stronger labour absorption capacity in rural areas. In rural areas, unemployment declined steadily from around 3.3% in 2022 to about 2.4% by 2025, reflecting increased engagement in agriculture, allied activities, and non-farm employment.

2.12. Overall, the labour market indicators suggest that the post-pandemic recovery in employment has translated into durable gains, especially in rural areas, while urban labour markets have stabilized after a phase of recovery. The combination of stable labour force participation and declining unemployment in the latest year indicates an improving quality of labour market outcomes. These trends point to a labour market that has moved from recovery to consolidation, strengthening the foundation for sustained economic growth and expanded productive capacity.[8]

2.13. Building on these trends, the sectoral and structural composition of employment also reflects a gradual strengthening of the labour market. The share of workers engaged in the manufacturing sector increased to 12.1% in 2025, alongside a rise in other services to 13.1%, indicating a shift towards more productive and non-agricultural employment. At the same time, the share of employment in agriculture moderated to 43%, suggesting a continued reallocation of labour towards higher value-added sectors. This transition has been accompanied by an improvement in earnings, particularly for women, with wages in regular salaried employment rising by 7.2% and self-employment incomes growing by 8.8% during 2025. The estimated 616 million employed persons in the economy further underscore the scale of job creation. Taken together, these developments highlight a gradual but steady transformation of India's labour market, characterized by improving job quality, rising female earnings, and a progressive shift towards formal and diversified employment opportunities.

[7] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2122148&reg=3&lang=2.
[8] https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf.

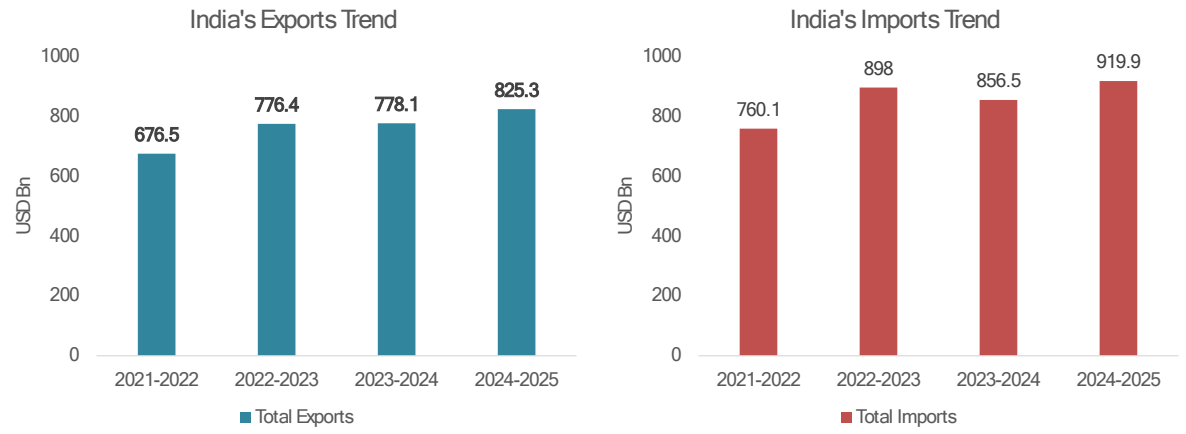
2.2 Trends in foreign trade

2.2.1 Total trade

2.14. In 2024–2025, India's external trade achieved a significant milestone, with total exports (merchandise and services) reaching an all-time high of USD 825.3 billion, reflecting a compound annual growth rate (CAGR) of 6.8% from USD 676.5 billion in 2021–2022, amid fluctuating international demand conditions.

2.15. Over the same period, total imports (merchandise and services) increased at a CAGR of 6.6%, rising from USD 760.1 billion in 2021–2022 to USD 919.9 billion in 2024–2025, driven primarily by higher demand for industrial inputs, energy, and capital goods.[9]

Chart 2.1 Trend in India's export and import



2.16. During April-February 2025-2026, India's total exports reached USD 786.0 billion, registering a 5.1% year-on-year increase, reflecting the continuation of a steady and resilient export momentum amid a challenging global trade environment. Total imports also rose to USD 902.8 billion, marking a 7.6% increase compared to the corresponding period of the previous year.

Table 2.1 India's total trade (merchandise and services)

(USD billion)

Year	Exports	Growth (%)	Imports	Growth (%)	Trade Balance
2021-2022	676.5	35.9	760.1	48.5	-83.5
2022-2023	776.4	14.8	898.0	18.2	-121.6
2023-2024	778.1	0.2	856.5	-4.6	-78.4
2024-2025	825.3	6.1	919.9	7.4	-94.7
April-February 2024-2025	747.6	n.a.	838.7	n.a.	-91.1
April-February 2025-2026	786.0	5.1	902.8	7.6	-116.9

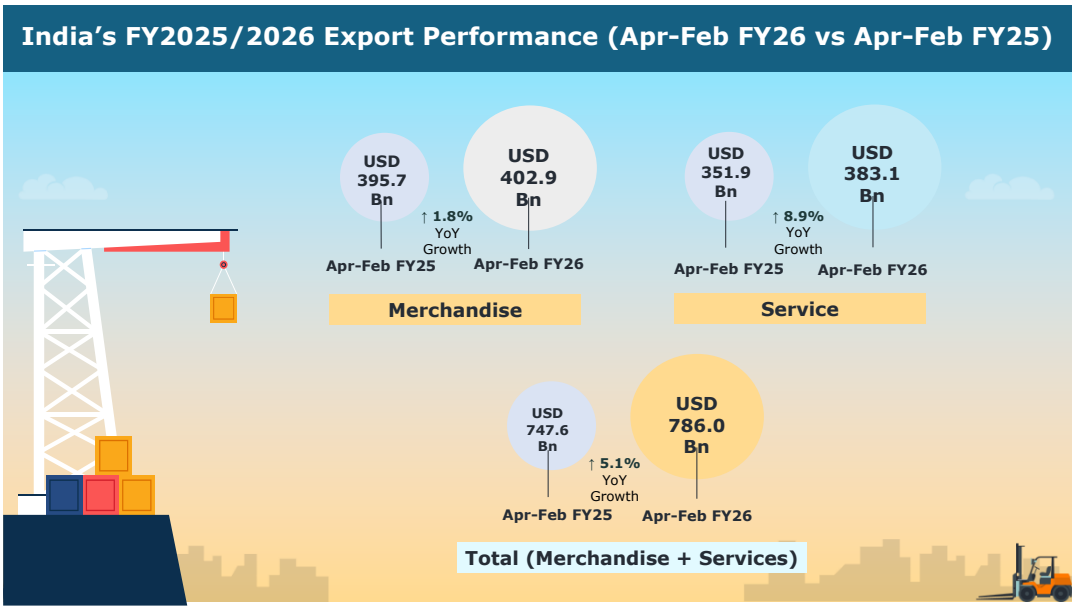
n.a Not applicable.

Note: The data for November 2025 is an estimation.

Source: DGCI&S and RBI.

[9] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219966&reg=3&lang=1.

Figure 2.1 India's FY2025/2026 export performance



2.2.2 Merchandise trade

2.17. Merchandise exports increased from USD 422.0 billion in 2021–2022 to USD 437.7 billion in 2024–2025, recording a CAGR of 1.2%, despite a moderation in global goods demand in recent years. Merchandise imports expanded at a relatively faster pace, rising from USD 613.1 billion to USD 721.2 billion over the same period, with a CAGR of 5.6%, driven by higher imports of energy, intermediate goods, and capital equipment required to support growing industrial activity and infrastructure development. Consequently, the merchandise trade balance remained in deficit, reaching USD 283.5 billion in 2024–2025, largely reflecting structural energy needs and investment-led import demand.

2.18. India's merchandise exports during April-February 2025-2026 stood at USD 402.9 billion, recording a 1.8% year-on-year growth, indicating a moderate but positive continuation of export activity amid global trade uncertainties. Meanwhile, merchandise imports, increased to USD 715.4 billion, registering a 8.8% rise over the corresponding period of the previous year.

Table 2.2 India's merchandise trade

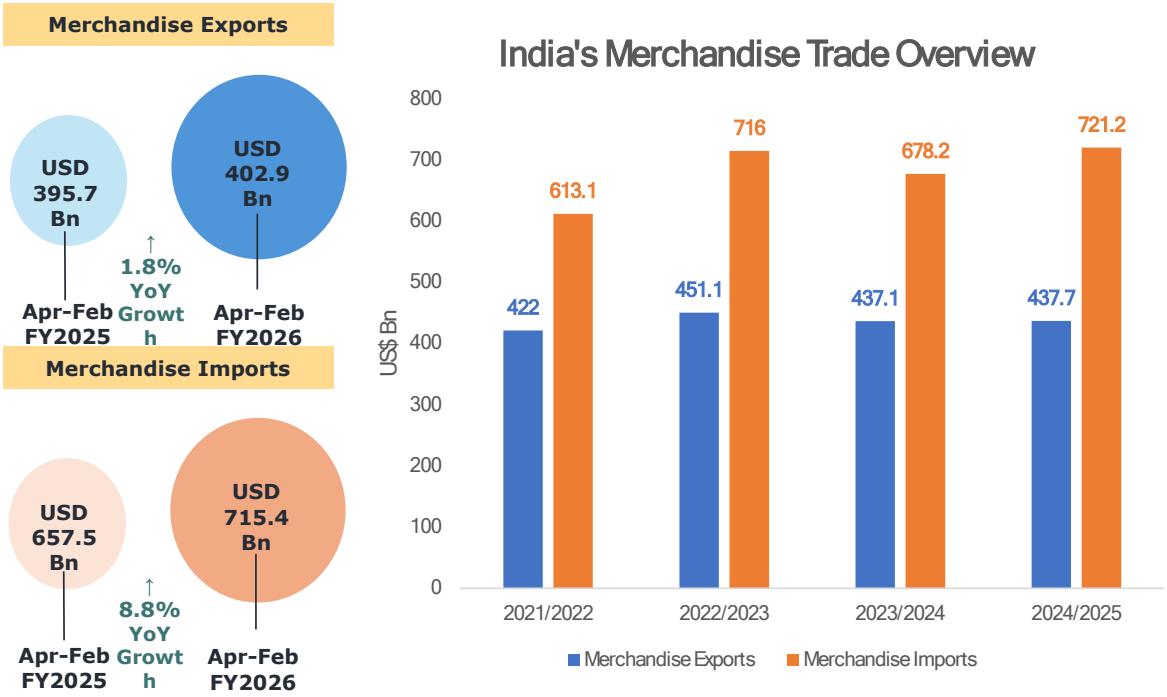
(USD billion)

Year	Exports	Growth (%)	Imports	Growth (%)	Trade Balance
2021-2022	422.0	44.6	613.1	55.4	-191.0
2022-2023	451.1	6.9	716.0	16.8	-264.9
2023-2024	437.1	-3.1	678.2	-5.3	-241.1
2024-2025	437.7	0.1	721.2	6.3	-283.5
April-February 2024-2025	395.7	..	657.5	..	-261.8
April-February 2025-2026	402.9	1.8	715.4	8.8	-312.5

.. Not available.

Source: DGCI&S.

Chart 2.2 Overview of India's merchandise trade



2.2.3 Direction of merchandise trade

2.19. During 2021–2022 to 2024–2025, India's export directions have undergone noticeable shifts, reflecting growth in key markets and strategic diversification.

2.20. Exports to EU countries and North America increased in both value and share, rising from 15.4% to 17.33% and 19.99% to 22.04%, respectively. Exports to West Asia- GCC region also strengthened from 10.41% to 12.99% in the said period.

2.21. In contrast, India's export share to NE Asia, South Asia, ASEAN, and several African regions declined, indicating a gradual reorientation. Smaller regions such as Other CIS countries and East Africa recorded modest increases, highlighting emerging opportunities.

2.22. Over 2021-2022 to 2024–2025, India's import portfolio demonstrates a diversified and strategically balanced engagement with global markets. Asia dominates India's imports, consistently accounting for over 60% of total imports, with NE Asia maintaining the largest share, around 25%, and ASEAN contributing a stable 11–12%.

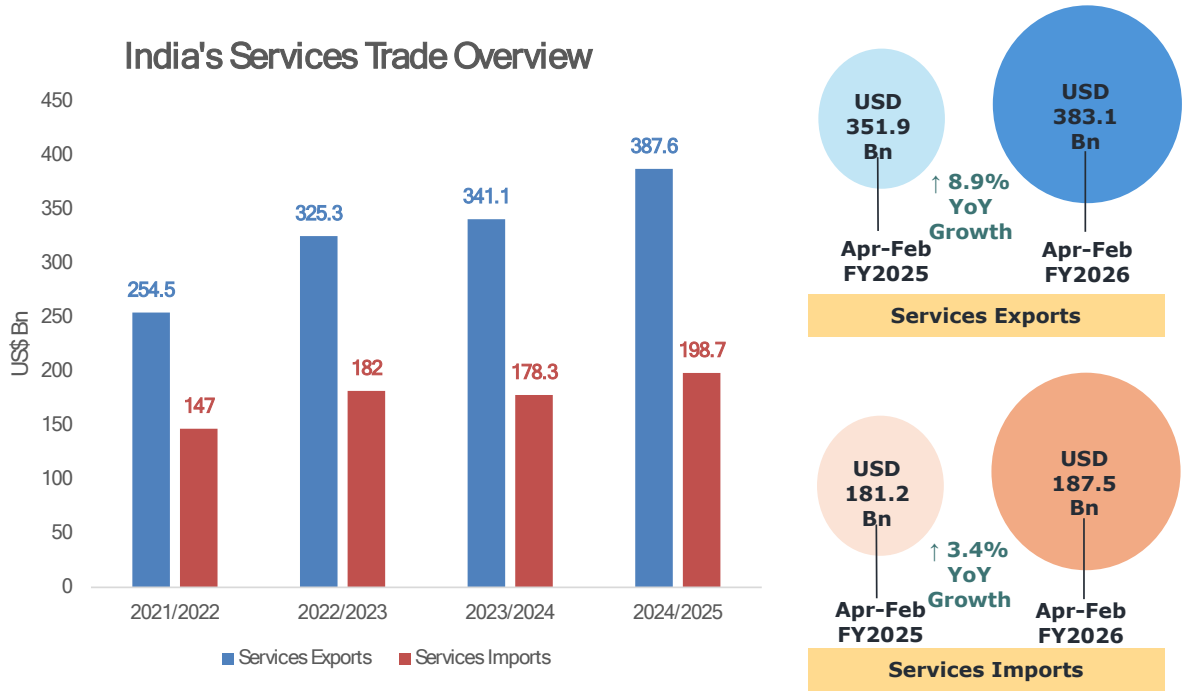
2.23. West Asia-GCC continues to play a significant role, while Other CIS countries have strengthened their position, increasing their share from 2.2% to 9%, reflecting India's expanding energy and resource partnerships.

2.24. Imports from Europe remain steady, with the EU around 8–9% and EFTA and other European countries providing modest shares. Africa and the Americas, though smaller contributors, maintain a consistent and strategic presence.

2.2.4 Services trade

2.25. Services trade has grown, with its share in total exports rising steadily from 37.6% in 2021-2022 to 47% in 2024–25. India's services trade reached an all-time high in 2024–2025, with services exports growing from USD 254.5 billion in 2021–2022 to USD 387.6 billion, reflecting a strong CAGR of 15% over the period.

Chart 2.3 Overview of India's services trade



2.26. Key sectors were information technology, financial services, and professional consulting. Services import also grew steadily, rising from USD 147 billion to USD 198.7 billion during the same period, a CAGR of 10.6%, driven by increasing domestic demand for knowledge-intensive and technology-enabled services. The resulting services trade surplus has had a balancing effect on India's overall trade balance.

2.27. In the current year (April-February 2025-2026), the share of services exports has further increased to 48.7%, underscoring their expanding role as the primary driver of India's overall export performance. During April-February 2025-2026, India's services trade demonstrated strong and broad-based momentum, reinforcing the country's position as a global leader in services exports. Services exports rose to USD 383.1 billion, registering a robust 8.9% year-on-year growth. In contrast, service imports increased modestly to USD 187.5 billion, reflecting a moderate 3.4% growth, indicating improved efficiency and controlled external dependence.

Table 2.3 India's services trade

(USD billion)

Year	Exports	Growth (%)	Imports	Growth (%)	Trade Balance
2021-2022	254.5	23.5	147.0	25.1	107.5
2022-2023	325.3	27.8	182.0	23.8	143.3
2023-2024	341.1	4.8	178.3	-2.1	162.8
2024-2025	387.6	13.6	198.7	11.4	188.8
April-February 2024-2025	351.9	..	181.2	..	170.7
April-February 2025-2026	383.1	8.9	187.5	3.4	195.7

.. Not available.

2.3 Monetary and fiscal policy

2.28. India's fiscal policy has pursued to balance developmental priorities with fiscal prudence, guided by the Government's medium-term fiscal policy strategy. According to the Medium-Term Fiscal Policy cum Fiscal Policy Strategy Statement presented in Parliament, the Government pursued a path of gradual fiscal consolidation while strengthening capital expenditure to support growth. In the Revised Estimates for FY2024/2025, the fiscal deficit target was set at 4.8% of GDP, aligning with the government's commitment to reduce the deficit to below 4.5% of GDP by FY2025/2026.

The strategy also projected a decline in the Central Government's debt-to-GDP ratio from 57.1% in FY2024/2025 to 56.1% in FY2025/2026, so as to emphasize on sustainable public finances and enhanced capital outlays for infrastructure and social sectors. This mix of consolidation and targeted investment supports both macroeconomic stability and medium-term growth prospects.[10]

2.29. Between April and November 2025, India's fiscal deficit reached approximately INR 9.8 trillion, accounting for 62.3% of the full-year target of INR 15.7 trillion. During this period, both revenue and capital expenditure increased year-on-year, with capital expenditure notably expanding to support infrastructure development. These trends underscore the government's continued prioritization of strategic investment while maintaining fiscal discipline within established targets.

2.30. Parallel to fiscal policy, the Reserve Bank of India (RBI) guided monetary policy to foster price stability and support economic expansion. In its recent monetary policy reviews, the RBI maintained a neutral stance while adjusting the policy repo rate in response to evolving macroeconomic conditions. The Monetary Policy Committee (MPC) lowered the repo rate to 5.25% in October 2025 to support growth amid easing inflationary pressures, while projecting headline inflation for FY2025/2026 at around 2.0% and revising the GDP growth forecast upward to 7.3%. The policy calibration reflected a sustained disinflationary environment, supported by stable food prices and favourable supply conditions, enabling accommodative financial conditions without compromising price stability.

3 REFORMS: ECONOMIC POLICY AND OTHER INITIATIVES

3.1 Goods and Services Tax (GST)

3.1. India's Goods and Services Tax (GST) has seen a robust evolution towards the achievement of a unified national market. The latest financial budget has identified GST simplification as a key lever of the "Reform Express" to boost productivity and accelerate economic growth. Amendments were made to the GST in September 2025, wherein rationalization of GST rate slab structure and administrative improvements were carried out by simplifying tax structures, reducing rates across sectors, and addressing long-standing disputes. These reforms were designed to create a conducive environment for entrepreneurship, job creation, and affordable living. Beyond reducing the financial burden on households and businesses, the reforms strengthen India's vision of inclusive growth, sustainability, and empowerment of the next generation. The reforms are also expected to promote ease of doing business since the anticipated benefits for businesses include a more stable operating environment, as simplified filing procedures and clearer classification are expected to reduce disputes and procedural delays. The implementation of GST reforms has eliminated inefficiencies in the taxation structure and reduced tax burden through systematic rate rationalization, specifically recent shift towards two-rate structure. Moreover, the GST implementation has also resulted in broadening of the tax base resulting from doubling of the active taxpayers. The GST regime ensures that burden of GST is not exported and allows exporters to claim a full refund of the GST paid in inputs. In addition, GST regime also ensures that imported goods are subject to integrated GST (IGST) equivalent to CGST plus SGST imposed on the domestic sale of goods, thus ensuring parity in taxation.

3.2. Acting upon the Hon'ble PM's vision to reduce the inefficiencies in the taxation structure, the GST Council has proactively engaged in systematic rate rationalization to reduce the tax burden on consumers and control inflation. It is anticipated that the reduced prices will also boost demand, which in turn will provide the industry with the necessary signals to boost investment. Some of the relevant changes are as follows:

a. Rationalization of Tax Slabs: Rationalization of the current 4-tiered tax rate structure into a citizen-friendly "Simple Tax" - a two-rate structure with a Standard Rate of 18% and a Merit Rate of 5%; a special de-merit rate of 40% for a select few goods and services. This represents a major simplification with most goods and services now falling under either 5% or 18% and the 28% slab restructured to 40% for only the most demerit

[10] https://static.pib.gov.in/WriteReadData/specificdocs/documents/2025/feb/doc202521492801.pdf.

items/services. This is also expected to resolve issues related to misclassification as well as inverted duty structure.

b. Broadening the Tax Base: The number of active taxpayers has more than doubled from approximately 6.5 million in 2017 to 16 million as of 31/01/2026.

c. Revenue Growth: Despite substantial rate reductions, gross GST revenue reached INR 22.08 trillion in FY2024/2025, representing a 9.47% increase over the previous year.

3.3. The GST framework was designed to enhance the competitiveness of Indian products in international markets while strictly adhering to WTO-compliant principles.

a. Principle of Zero-Rating Exports: The GST ensures that only the cost of goods or services is exported, not the embedded taxes. This is achieved by allowing exporters to claim a full refund of the GST paid on inputs, making Indian exports more competitive globally. The process for availing refunds has been simplified to a great extent with a provision for 90% provisional refunds within seven days for eligible categories of importers, helping reduce the blockage of working capital. Similarly, removing the *de-minimis* floor for refund applications has been undertaken with a view to benefiting small-scale exporters to remain competitive in the international market.

b. Parity via IGST on imports: All imported goods are subject to Integrated GST (IGST), which is equivalent to the domestic tax (Central GST + State GST). This ensures a level playing field and parity in taxation between local and imported goods, fulfilling international trade obligations with reference to the WTO principles.

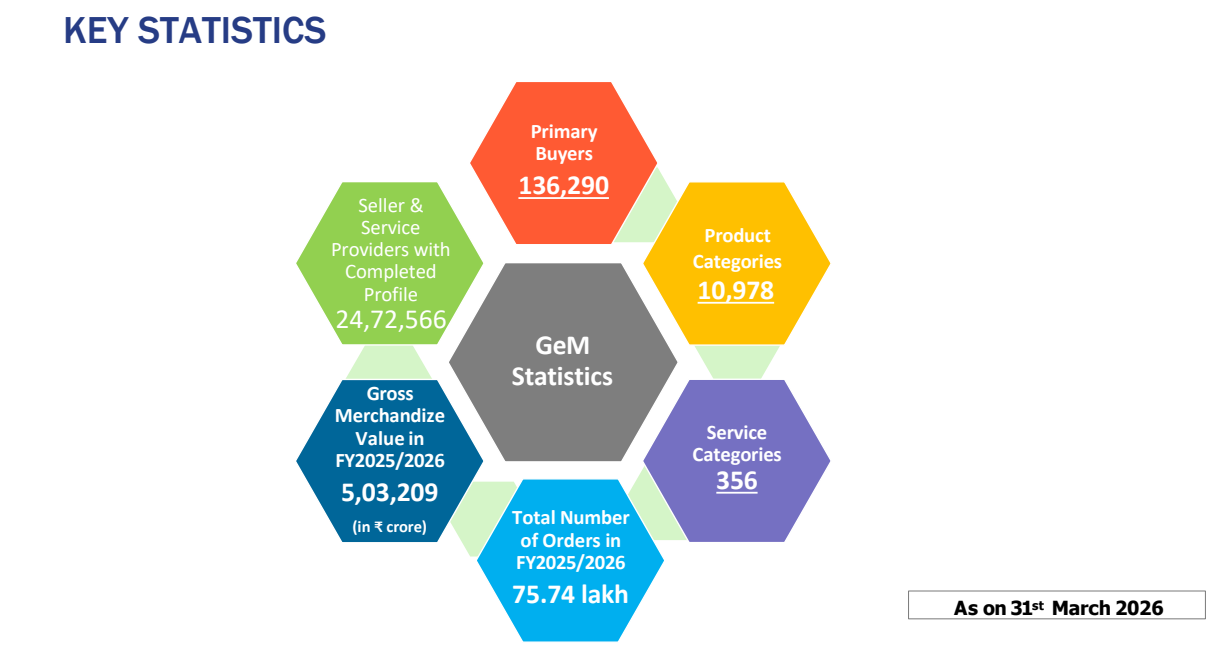
3.4. In conclusion, the GST has replaced a complex indirect tax system with a simple transparent, efficient, and technology-driven regime. By streamlining processes, rationalizing rates, and removing tax embeddedness in exports, the reform continues to bolster India's position as a major manufacturing and services hub in the global economy.

3.2 Government e-Marketplace (GeM)

3.5. Launched in 2016 and notified as the National Public Procurement portal, the Government eMarketplace (GeM) operates through a fully government-owned Special Purpose Vehicle which was incorporated in May 2017. It provides an end-to-end, paperless, cashless, and contactless platform for procurement of goods and services by Central and State Ministries, Departments, PSUs, Panchayats, and Cooperatives, enabling direct online purchases from sellers across India.

3.6. GeM provides an open, inclusive platform for the vendors (OEMs, Resellers, Service Providers) to register and list their products/services without any entry barriers. GeM covers the entire procurement lifecycle from vendor registration and product selection by buyers to delivery of goods/services and release of payments. By eliminating manual processes, GeM reduces procurement timelines and ensures transparency. The platform is integrated with key government databases such as GSTN, PAN, and Aadhaar, enabling real-time validation of vendor credentials. GeM's transparent framework fosters competitive pricing and encourages fiscal prudence. With its commitment to continuous innovation and inclusivity, GeM sets a global benchmark for efficient, equitable, Inclusive and accountable public procurement.

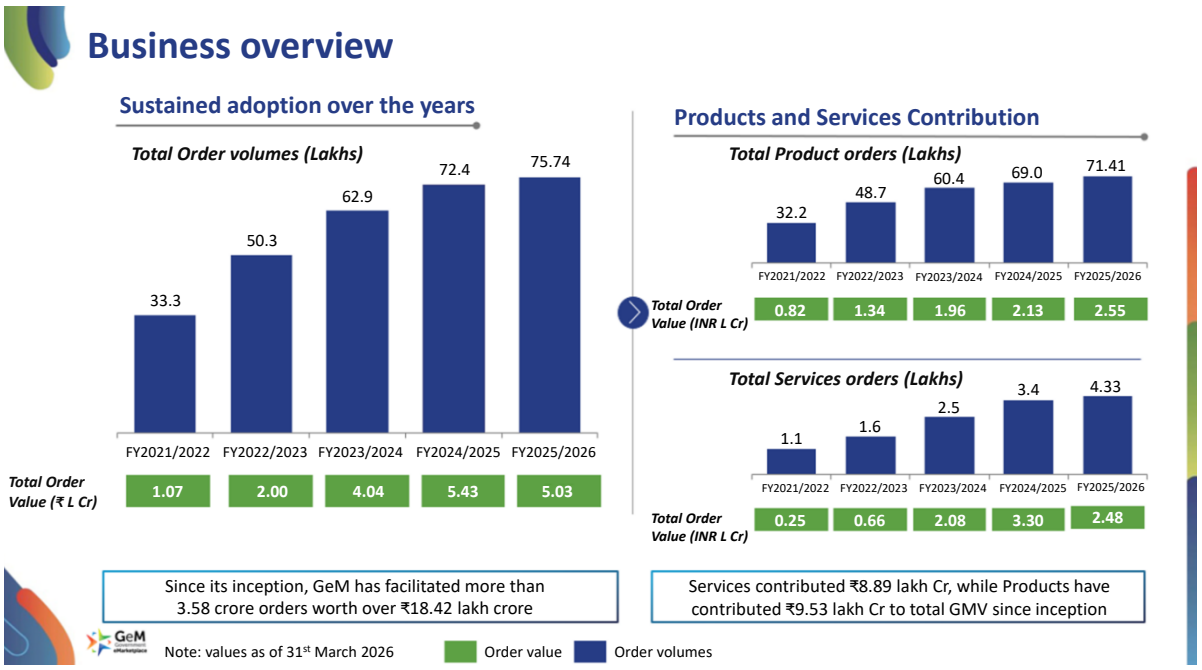
Figure 3.1 GeM universe



Source: https://gem.gov.in/statistics

3.7. Gross Merchandise Value (GMV) milestone: Since its launch in FY2016/2017, GeM has redefined public procurement in India. Starting with an GMV of INR 4.22 billion, the platform has grown exponentially over the years. The accompanying chart presents the comparison of previous and current year GMV, highlighting GeM's sustained growth trajectory.

Chart 3.1 Business overview



3.3 Logistics

3.3.1 PM Gati Shakti

3.8. The Pradhan Mantri GatiShakti National Master Plan (PMGS NMP), launched in October 2021, is a GIS-based platform integrating portals of multiple Ministries and Departments to enable data-driven, coordinated planning of multimodal infrastructure and to reduce logistics costs. Currently, 57 Ministries/Departments are onboarded, with over 1,700 data layers from the Centre and States/UTs available on the platform, which has been opened to the private sector to support infrastructure development, project planning, and research. The initiative has been further expanded through the launch of PM GatiShakti offshore for integrated offshore development as well.

3.3.2 National logistics policy

3.9. Complementing PM GatiShakti, the National Logistics Policy (NLP), launched in September 2022, aims to align India's logistics ecosystem with global benchmarks by reducing logistics costs, improving India's Logistics Performance Index ranking aiming to reach the to 25 by 2030, and strengthening data-driven decision-making. In line with these objectives, 26 States/UTs have notified State Logistics Policies aligned with the NLP.

3.4 Startup India & skill development

3.10. The Startup India initiative, launched by the Government in 2016, has laid a robust foundation for the sustained growth of the startup ecosystem in the country. Under the Startup India initiative, three flagship Schemes have been implemented, namely, Fund of Funds for Startups (FFS), Startup India Seed Fund Scheme (SISFS), and Credit Guarantee Scheme for Startups (CGSS) to support startups at various stages of their business cycle. Till December 2025, 2,00,000 startups have been recognized by the Government, and these start-ups have created 21,00,000 plus jobs across the country. More than 45% of recognized startups have at least one-woman Director.

3.11. The Ministry of Skill Development and Entrepreneurship (MSDE), through its autonomous organizations, namely, National Institute for Entrepreneurship and Small Business Development (NIESBUD) and Indian Institute of Entrepreneurship (IIE) has been working for the empowerment, upliftment and development of entrepreneurs across the country, building entrepreneurial mindsets and capabilities, supporting and providing mentoring and handholding support for entrepreneurship development. During the last five years, 4,16,343 beneficiaries have been given training under skilling and entrepreneurship components of various schemes/programmes being undertaken by MSDE (including NIESBUD and IIE) to promote entrepreneurship during the period under review.

Box 3.1 AYUSH-Ayurveda, Yoga, Unani, Siddha, Homoeopathy initiatives

India has paid special attention to promoting its rich heritage of traditional medicine during the period under review. Select initiatives are captured in this box.

AYUSH quality mark

The launch of the Ayush Quality Mark during 2nd Global Summit on Traditional Medicine in December 2025 establishes a unified, globally benchmarked quality assurance system for AYUSH. It ensures high standards of safety, efficacy, and credibility, thereby enhancing international acceptability and consumer confidence for wellness and medical value travel services. It is expected to further strengthen market access, enhance global competitiveness, and drive sustained growth in exports of AYUSH.

Strengthening of Ayush regulations to ensure quality AYUSH products

The strengthening of regulatory frameworks for AYUSH drugs has been a key initiative of the Government to ensure the quality, safety, and efficacy of AYUSH products. Amendments in the Drugs Rules, 1945 have been undertaken to facilitate ease of doing business while enhancing quality control, standardization, and enforcement mechanisms. In addition, digital initiatives such as the AYUSH Suraksha Portal and the *e-Aushadhi* portal have improved transparency, online licensing, monitoring, and compliance across the sector. The Pharmacovigilance Programme for AYUSH drugs has also been strengthened to systematically monitor adverse drug reactions and ensure patient safety. These initiatives are expected to further reinforce

the regulatory ecosystem, enhance global credibility and acceptance of AYUSH products, and significantly boost their export potential.

AYUSH in trade agreements

Since 2021, India has undertaken several forward-looking initiatives in its key trade agreements to enhance the global presence of AYUSH. Recent trade agreements with partners such as EU, New Zealand, EFTA Countries and Oman have opened new avenues for export of AYUSH, mobility of practitioners, and expansion of wellness services. These agreements provide regulatory facilitation, and recognition frameworks that promote AYUSH globally. These agreements also enable growth in medical value travel, wellness tourism, and international collaborations in research and education in AYUSH.

AYUSH visa and medical value travel

AYUSH Visa has been introduced in July 2023 for foreign nationals seeking treatment under AYUSH systems and for their attendants. The initiative is supported by the Medical and AYUSH Visa Portal, which enables pre-validation of applications and facilitates access to recognized AYUSH hospitals and wellness centres, including issuance of visa invitation and extension letters.

Since its launch, a total of 4,829 AYUSH Visas has been issued as on 03/03/2026. The top visa recipient countries include Switzerland, France, Germany, Kingdom of Saudi Arabia, Kenya, United States, Israel, Oman, Uzbekistan and Portugal, indicating growing global interest in AYUSH.

3.5 Legal and regulatory reforms

3.5.1 Jan Vishwas

3.12. The Jan Vishwas (Amendment of Provisions) Act was passed in 2023 decriminalizing 183 provisions across 42 Acts administered by 19 Ministries/Departments. The Government is working on the process of further identifying minor criminal provisions to be compiled for another common amendment Bill i.e. Jan Vishwas 2.0. Jan Vishwas (Amendment of Provisions) Bill, 2025, which has since been passed by the Parliament. A total of 784 provisions have been amended, of which 717 have been proposed to be decriminalized to foster Ease of Doing Business (EoDB), and 67 provisions have been proposed to be amended to facilitate Ease of living. The objective of this exercise to decriminalize minor, technical and procedural defaults.

3.5.2 Labour code

3.13. Recognizing that labour serves as a foundational driver of economic development, the Government of India has undertaken legislative consolidation by compressing 29 separate labour laws into four comprehensive codes. This reformative framework comprises the Code on Wages (2019), the Industrial Relations Code (2020), the Code on Social Security (2020), and the Occupational Safety, Health and Working Conditions Code (2020). The primary objective of this codification was to modernize legislations predating Indian independence in 1947, and aligning them with contemporary economic and technological realities. By simplifying compliance and streamlining enforcement through a "Single Registration, Single License, and Single Return" system, the government aims to enhance the ease of doing business while simultaneously promoting employment generation and social security.

3.14. The individual codes target specific facets of the labour ecosystem to ensure uniformity and fairness. The Code on Wages consolidates four existing statutes to rationalize wage-related compliance for employers and strengthen the rights of workers. Similarly, the Industrial Relations Code amalgamates three laws to simplify dispute settlements and trade union regulations, acknowledging that the welfare of the workforce is inextricably linked to the survival of the industry. To address the vulnerabilities of the modern workforce, the Code on Social Security integrates nine acts to extend essential health and maternity benefits to unorganized, gig, and platform workers through efficient digital systems. Finally, the Occupational Safety, Health and Working Conditions Code merges 13 central acts to balance the safeguarding of worker safety with the creation of a business-friendly environment. Together, these codes represent a strategic

commitment to establishing a fair, efficient, and future-ready labour market that guarantees the security and dignity of every worker.[11]

3.5.3 Telecommunications Act, 2023

3.15. The Telecommunications Act 2023[12]was enacted with the aim to amend and consolidate laws relating to the development, expansion and operation of telecommunication services and telecommunication networks; and the assignment of spectrum.[13] The 2023 Act seeks to ensure that the regulatory regime governing India's telecom sector is aligned with the modern technical/technological advancements in the sector.

3.16. The Act provides a legal framework that streamlines the process of spectrum allocation which includes allotment by auction and through administrative process for certain purpose and secondary assignment, sharing, trading, leasing and surrender of spectrum. It also enables the utilization of spectrum in a flexible, liberalized and technologically neutral manner. It also empowers the Central Government to establish an enforcement and monitoring mechanism to track compliance of spectrum utilization terms. This landmark legislative change is expected to provide further momentum to the growth of telecommunication services in India.[14] The Act also introduces a comprehensive statutory framework for obtaining Right of Way (RoW) permissions in India, enabling authorized telecom entities to seek RoW from both public and private entities in a uniform and non-discriminatory manner. The new RoW framework prioritizes fair access, transparent conditions, and prompt permissions for service providers while ensuring compensation for any damage caused.[15]

3.17. Another key development in India's telecom sector is the successful rollout of 5G services in India has been another key development in India's telecommunications services. As on 31 December 2025, 5.18 lakh 5G towers have been installed, covering 99.9% of districts. Telecom Service Providers have expanded 5G services across the country and exceeded the minimum rollout obligations. Government has taken several initiatives for proliferation of 5G services, which, *inter alia*, include the following[16]:

- Auction of spectrum for 5G mobile services.
- Removal of Spectrum Usage Charges for spectrum acquired in auction of 2022 and thereafter.
- Launch of PM GatiShakti Sanchar portal and RoW (Right of Way) Rules to streamline RoW permissions and clearance of installation of telecom infrastructure.

3.18. For ensuring deployment of 5G services, hundred 5G Use Case labs have been set up at Higher Educational Institutions across the country. Collaboration has been done for capacity-building and skill development with international companies for development of 5G use cases.

3.5.4 Alternative Dispute Resolution

3.19. The Department of Legal Affairs has strengthened India's business environment through reforms focused on Alternative Dispute Resolution (ADR). The establishment of the India International Arbitration Centre (IIAC) under the India International Arbitration Centre Act, 2019, declared an institution of national importance, aims to provide cost-effective, efficient, and transparent dispute resolution for domestic and international cases, reducing reliance on foreign arbitration hubs. Complemented by the Mediation Act, 2023, these measures ease court burdens, enhance investor confidence, and align India's legal framework with global best practices.

[11] India's Labour Reforms: Simplification, Security, and Sustainable Growth, PIB Release, 21 November 2025. (https://www.pib.gov.in/PressReleasePage.aspx?PRID=2192524&reg=3&lang=2).
[12] https://egazette.gov.in/WriteReadData/2023/250880.pdf.
[13] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2031057&reg=3&lang=2.
[14] https://tdsat.gov.in/admin/introduction/uploads/seminar_events/Gangtok%20TEJVEER%20SINGH%20BHATIA.pdf.
[15] https://tdsat.gov.in/admin/introduction/uploads/seminar_events/Gangtok%20TEJVEER%20SINGH%20BHATIA.pdf.
[16] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2223772&reg=3&lang=2.

4 EASE OF DOING BUSINESS, CHAMPIONING TRADE, AND TRADE FACILITATION

4.1. A defining pillar of India's trade strategy is the institutionalization of faceless, paperless, and contactless clearance as the default administrative mode. By integrating faceless assessments with automated risk management, India has minimized physical intervention, significantly reduced cargo release time, and increased predictability for traders. These reforms are reinforced by 24×7 customs operations at major gateways and are reflected in India's performance under the UN Global Survey on Digital and Sustainable Trade Facilitation, where India records an overall implementation score of around 80%, exceeding the Asia-Pacific and South & South-West Asia regional averages by approximately 10–20 percentage points and placing it among the leading developing economies, particularly in paperless trade and automation-related measures.

4.1 Foreign trade policy

4.2. International trade remains a cornerstone of India's economic growth, guided by the strategic framework of the Foreign Trade Policy (FTP). FTP 2023 announced a flexible, and continuously updated trade policy model, which marks a decisive shift from paper-based regulation and fragmented procedures to a digital and automated governance framework. To operationalize this transformation, the Directorate General of Foreign Trade (DGFT) has rolled out end-to-end digital approvals across trade processes, supported by real-time system integration that enables seamless data exchange, faster verification, and smart monitoring. These reforms have reduced trade costs, administrative delays, and discretionary decision-making, while enhancing predictability and strengthening exporter confidence.

4.3. Key initiatives include:

- the Electronic Certificates of Origin system (e-CoO 2.0), which processes over 10,000 certificates daily on a single national platform with QR-based verification, e-signing, and integrated FTA and trade-service dashboards;
- The Electronic Bank Realisation Certificate system (eBRC), which allows exporters to generate certificates directly on the DGFT portal, eliminating bank charges and paperwork while supporting e-commerce exports and data-driven policymaking;
- The Bharat Aayat–Niryat Lab Setu (pilot launched in October 2025), a unified digital platform for product testing that connects exporters, importers, laboratories, and regulators through online filing, real-time tracking, and improved access to certification services.

4.4. In addition, the FTP has introduced integrated digital platforms such as the "Trade Connect e-Platform" to bridge exporters with the wider trade ecosystem, including government agencies, Export Promotion Councils (EPCs), and Indian Missions abroad. These platforms also empower exporters by providing easy access to HS-level tariff and trade information, product-specific compliance guidance, and structured training through EXIM Paathshaala[17], thereby strengthening market awareness and capacity-building, particularly for MSMEs.

4.5. To ensure institutional responsiveness, a comprehensive digital grievance redressal system has been established under the FTP to provide transparent and continuous support to exporters. This includes daily video consultations with officials for real-time problem resolution, 24×7 assistance through AI chatbots and online helpdesks, and specialized crisis cells offering guidance during periods of geopolitical uncertainty and economic disruption.

4.6. Complementing these initiatives, DGFT has streamlined more than 50 trade processes by eliminating redundant rules and procedures, significantly reducing compliance burdens and transaction costs, and reinforcing the FTP's broader objective of improving ease of doing exports from India.

[17] EXIM (Export-Import) Paathshaala builds exporter capacity by offering structured courses which equip Indian businesses with the skills needed to participate effectively in regulatory requirements.

4.2 Trade in goods

4.2.1 Increasing integration into the global economy

4.7. The performance of the non-petroleum, non-gems and jewelry sector reached a historic high of USD 374.3 billion in FY2025, growing at a robust 7.5% over FY2024. India has also diversified its trade partnerships, ranking third among Global South nations for partnership diversity. This has acted as a structural hedge against protectionism in traditional market. India's expanding network of Free Trade Agreements (FTAs) forms an important element of its engagement with the global trading system by providing more predictable and stable market access conditions in an evolving global trade environment.

4.2.2 Progressive rate rationalization

4.8. Since the previous Trade Policy Review, India has undertaken progressive customs duty rationalization and simplification across successive Union Budgets, including reduction of tariff slabs, phasing out of outdated exemptions, and duty reductions on various tariff lines with the objective of increased integration into global value chains.[18]

4.3 Trade in services & digital trade

4.3.1 Services sector and trade performance

4.9. Services as a key factor influencing India's growth trajectory: The services sector continues to play a pivotal role in India's growth story. In 2023-2024, it accounted for around 55% of India's Gross Value Added.[19] It is top recipient of FDI[20] and provides employment to more than 30% of the workforce.[21] Services also contribute indirectly to the GDP through the servicification of manufacturing, i.e. increasing utilization of services in manufacturing, production and post-production value addition.[22]

4.10. Services trade has shown a significant growth between 2021 and 2025: India ranks 8th globally in services exports, increasing its share in global services exports from 3.7% in 2021 to 4.2% in 2024. As of 2024-2025, India's services exports to the world stand at USD 387.5 billion, and services imports are at USD 198.7 billion. Services exports from India have shown a multi-sectoral and multi-country presence, with notable contributions across several sectors. Table 3 elaborates on the performance of India's services trade during the period under review, and Table 4 provides a sectoral breakdown of services trade of India for the same period.

Table 4.1 Sectoral trade in services of India

Items	2021-2022		2022-2023		2023-2024		2024-2025		CAGR (2020-2021 to 2024-2025)		Share in Total Services (2024-2025)	
	Values (USD billion)								(%)			
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
Total services	254.5	147.0	325.3	182.0	341.1	178.3	387.5	198.7	15.0%	10.6%	100.0%	100.0%
1)Travel	9.1	16.3	27.0	28.4	33.7	33.7	34.2	34.8	55.4%	28.9%	8.8%	17.5%
2)Transport	32.7	35.8	36.1	40.6	29.2	29.3	33.7	35.0	1.1%	-0.8%	8.7%	17.6%
3)Insurance	3.3	2.1	3.3	2.3	3.3	2.9	3.6	3.0	2.4%	13.5%	0.9%	1.5%

[18] UNCTAD Trade and Development Report, 2025.
[19] https://niti.gov.in/sites/default/files/2025-10/Indias_Services_Sector_Insights_from_GVA_Trends_State_level_Dynamics.pdf.
[20] https://www.dpiit.gov.in/static/uploads/2025/11/4128971a6c7fd4a7653ca9e648a5f34b.pdf.
[21] https://niti.gov.in/sites/default/files/2025-10/Indias_Services_Sector_Insights_from_Employment_Trends_State_level_Dynamics.pdf.
[22] https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf.

Items	2021-2022		2022-2023		2023-2024		2024-2025		CAGR (2020-2021 to 2024-2025)		Share in Total Services (2024-2025)	
	Values (USD billion)								(%)			
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
4)Government not included elsewhere	0.8	1.0	0.7	1.0	0.6	1.1	0.6	1.3	-7.2%	9.2%	0.2%	0.6%
5)Telecommunications, computer and information services	125.6	14.5	152.3	19.8	163.6	20.9	183.3	24.3	13.4%	18.8%	47.3%	12.2%
6)Construction services	2.6	2.9	3.8	2.8	4.6	2.8	5.3	3.2	26.4%	2.7%	1.4%	1.6%
7)Financial services	5.5	5.6	7.8	5.7	8.1	4.6	8.5	4.1	15.7%	-10.2%	2.2%	2.0%
8)Charges for the use of intellectual property n.i.e. (Royalties, copyright and license fees)	0.8	9.0	1.3	10.6	1.6	15.0	1.8	17.3	29.4%	24.0%	0.5%	8.7%
9)Business services	59.0	51.7	80.3	59.7	88.6	59.3	107.2	66.6	22.1%	8.8%	27.7%	33.5%
10)Personal, cultural & recreational services	3.2	4.5	3.9	5.5	4.4	6.3	4.7	5.8	14.1%	8.7%	1.2%	2.9%
11)Maintenance and repair services	0.2	1.4	0.2	1.9	0.2	1.5	0.4	1.1	13.1%	-7.4%	0.1%	0.6%
12)Manufacturing services on physical inputs owned by others	0.5	0.1	1.5	0.2	1.4	0.1	1.1	0.1	28.7%	21.3%	0.3%	0.1%
13) Other services not included elsewhere	11.3	2.2	7.1	3.4	1.8	0.8	3.2	2.2	-34.6%	-0.2%	0.8%	1.1%

Source: RBI Statistics.[23]

4.11. Some of the key features of India's services trade performance include:

- Mode 1 is the dominant mode of supply for export of Services by India. Telecommunications, Computer Services and Business Services are the key sectors adopting Mode 1 for exports.

- In "Telecommunications, Computer, & Information Services", India commands 9.8%[24] of the global exports market (ranking 2nd largest exporter in the world)[25], reflecting its strong position in IT outsourcing, software development, and digital services.

- In the "Other Business Services sector", India holds 7.3%[26] of the world share (ranking 3rd largest exporter in the world) [27], driven by its expertise in professional and consulting services.

- GCCs (Global Capability Centres) have emerged as a major catalyst for India's strong services exports, shifting from basic IT services to innovation hubs, driving growth in exports of software, consulting, and finance.[28]

- India is the fifth largest exporter of digitally delivered services (DDS): Since 2018, India has consistently outpaced global DDS export growth, becoming the world's fifth-largest exporter in 2024 with USD 276 billion in exports- more than double the level a decade

[23] https://data.rbi.org.in/#/dbie/reports/Statistics/External%20Sector/International%20Trade.
[24] WTO Stats, 2024.
[25] WTO Stats, 2024.
[26] WTO Stats, 2024.
[27] Ibid.
[28] See Box 4.1.

ago.[29] Some of the key highlights of the deepening digitalization of India's services exports are:

- India's high-skilled talent at competitive wages enables global firms to base talent in India while serving foreign markets remotely, reinforcing India's competitiveness in IT, business, and professional services. India's competitive talent readiness amongst peers with similar wage levels, strengthens its long-term Mode 1 edge.

- Further, cloud computing, digital platforms, and remote collaboration tools have reduced the need for physical proximity between service providers and consumers. With increased adoption of cloud technologies in advanced economies, they have become more receptive to cross-border digital service imports. COVID-19 acted as a structural break, permanently accelerating remote work and offshore service delivery through Mode 1.

- "Other Business Services" accounts for ~54% and "Computer Services" ~39% of total DDS exports of India.[30]

- Major importers such as the US, UK, Germany, and Ireland have seen rising shares and growth rates of Mode 1 imports over the last decade. Mode 1 import growth has been faster than Modes 3 and 4 for most large economies, aligning with India's export structure.

Box 4.1 Policy to prosperity: GCCs leading India's growth journey[31]

With over 1,700 GCCs currently operational, their combined revenue has grown from USD 40 billion in FY19 to about USD 65 billion in FY24, registering nearly 10% CAGR and employing more than 1.9 million professionals. Backed by India's strong talent base- accounting for 28% of the global Science, technology, engineering, and mathematics (STEM) workforce and 23% of software engineering talent- GCCs are increasingly focused on R&D, advanced technologies such as AI/ML, and high-value business functions. Supportive government policies, liberalised FDI norms, infrastructure initiatives like GENESIS (Gen-Next Support for Innovative Startups), and investments in digital skilling under Skill India, Digital India, and Future Skills Prime, along with growing startup collaborations, are key growth enablers. The sector is projected to reach USD 105 billion by 2030 with nearly 2,400 centres employing about 2.8 million people, firmly positioning India as a preferred global innovation and services hub.

4.3.2 Digital India and digital public infrastructure

4.12. Digital India is a flagship programme of the Government of India, since 2015, with the vision to transform India into a digitally empowered society and knowledge economy. Since its launch, the initiative has demonstrated a consistent upward growth trajectory with significant outcomes achieved, including developing broadband highways, universal access to mobile connectivity, public Internet access programmes and digital governance.

4.13. Digital infrastructure enabling services: There has been an expansion of Internet access, broadband, and mobile networks- critical for digitally delivered services. Internet connections increased from 251.5 million (2014) to 969.6 million (2024), registering a growth of 286%. Broadband connections rose from 61 million in March 2014 to 949.2 million in August 2024, registering an increase of 1,452%. Rural connectivity has improved significantly, closing access gaps that previously limited digital participation. BharatNet, one of the largest rural telecom projects in the world, aims to extend Internet access to every corner of the country. Under the BharatNet Project, 692,000 kms of Optical Fibre Cable has been laid so far.[32] As of May 2025, 97.65% villages are covered with mobile connectivity, out of which 96.80% villages have 4G mobile connectivity.

4.14. Digital Public Infrastructure (DPI) refers to foundational digital systems that are accessible, secure, and interoperable, supporting essential public services. India's DPI rests on the JAM trinity

[29] WTO. (https://www.wto.org/english/res_e/statis_e/gstdh_digital_services_e.htm).
[30] https://www.niti.gov.in/sites/default/files/2025-07/Trade-Watch-Quarterly.pdf.
[31] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2202046&reg=3&lang=1.
[32] https://www.pib.gov.in/PressNoteDetails.aspx?ModuleId=3&NoteId=154788&ref=digiaccel.in&reg=3&lang=2#:~:text=BharatNet:%20Linking%20Villages%20to%20the%20Internet&text=As%20of%20January%202025%2C%20BharatNet,bringing%20internet%20to%20many%20villages.

(Jan Dhan, Aadhaar, Mobile), which integrates zero-balance bank accounts (Jan Dhan), unique digital identity (Aadhaar), and widespread mobile connectivity. This enables efficient Direct Benefit Transfers as well as fosters financial inclusion.

- Aadhaar[33] is the world's largest biometric identity system. As of December 2025, there are approximately 1.34 billion live Aadhaar holders.

- Jan Dhan (Prime Minister's Jan Dhan Yojana)[34], since its launch in 2014, has been a major channel for delivering benefits under various schemes using Direct Benefit Transfer (DBT), providing credit facilities, social security, and enhancing savings and investments. As on 13 August 2025, the total number of PMJDY Accounts reached 561.6 million; 55.7% (313.1 million) Jan-Dhan account holders were women, and 66.7% (374.8 million) Jan-Dhan accounts were in rural and semi-urban areas.

- Mobile connectivity has significantly expanded through enhanced online infrastructure and improved Internet connectivity, with a special focus on linking rural areas to high-speed networks. In 2025[35], mobile subscribers reached 1.16 billion.

- UPI and digital financial ecosystem: Unified Payments Interface (UPI) has played a transformational role in real-time digital payments, processing huge volumes of transactions and expanding its global footprints to several countries. This digital payment revolution not only supports domestic commerce but also enhances India's digital services infrastructure, indirectly facilitating cross-border digital transactions. UPI powers 85% of India's digital payments and nearly 50% of global real-time digital payments.[36] In December 2025, UPI had 685 banks onboard and handled around 21.6 billion transactions with combined value of around INR 27.9 trillion (approx USD 307 billion).[37] At present, UPI is in operation in seven countries, namely, UAE, Singapore, Bhutan, Nepal, Sri Lanka, France, and Mauritius.

4.15. Sectoral DPIs for specific industries: Sectoral DPIs build upon core DPIs (e.g. digital identity, payments) to enable targeted innovation, efficient service delivery, and greater inclusion such as Ayushman Bharat Digital Mission in healthcare or the Digital Agriculture Mission[38]for farmers, creating new opportunities while leveraging existing digital frameworks.

4.16. Digital commerce and MSME integration: Platforms like Open Network for Digital Commerce (ONDC)[39] and Government e-marketplaces (GeM)[40] have enabled connecting millions of sellers and service providers, including MSMEs and women-led enterprises, to digital markets. ONDC is democratizing digital markets in India by promoting open network built on open source protocols that allows buyers and sellers to transact directly without being tied to any specific platform. This expands the base of digitally delivered services by enabling smaller firms to serve wider markets.

4.17. Broader digital governance and services: Digital governance platforms (e.g. DigiLocker[41], UMANG[42]) are transforming how citizens access services, boosting efficiency and transparency using digital networks. DigiLocker is a secure, cloud-based platform under the Digital India programme that enables issuance, storage, sharing, and verification of digital documents and certificates. UMANG constitutes a singular unified platform—encompassing a mobile application and web portal-for accessing government services proffered by Central, State, and Local bodies, anytime and anywhere. Digital literacy and skilling programs are scaling human capital that can support digital services. Global Digital Public Infrastructure Repository (GDPIR) has been developed as a comprehensive resource hub, pooling essential lessons and expertise from G20 Members.

[33] https://www.pib.gov.in/PressReleseDetailm.aspx?PRID=2205048&reg=6&lang=1.
[34] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2161401&reg=3&lang=2.
[35] https://www.pib.gov.in/FactsheetDetails.aspx?Id=149256&reg=3&lang=2#:~:text=The%20digital%20economy%20contributed%2011.74,inclusive%20and%20technology%2Ddriven%20growth.&text=Guided%20by%20the%20vision%20of,%2C%20an%208%2Dfold%20increase.
[36] https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154912&ModuleId=3&reg=3&lang=2.
[37] https://www.npci.org.in/product/upi/product-statistics.
[38] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2155533&reg=3&lang=2.
[39] https://www.ondc.org/.
[40] https://gem.gov.in/aboutus.
[41] https://www.digilocker.gov.in/.
[42] https://web.umang.gov.in/landing/.

The GDPIR showcases the information in a standardized format from countries and organizations that have developed DPIs at scale, incorporating elements such as maturity scales, source codes (where available), and governance frameworks. Currently, the GDPIR features 54 DPIs from 16 countries.[43]

4.18. Digital India enhancing competitiveness of India's DDS exports: Through a robust digital infrastructure and connectivity, advanced payment systems (like UPI) that reduce transaction costs and complexities, and digital commerce platforms that broaden participation of domestic firms in international markets, Digital India has laid down an ecosystem that enables India's digitally delivered services to be globally competitive.

4.3.3 Direct benefit transfer[44]

4.19. The introduction of the Direct Benefit Transfer (DBT) system has transformed India's welfare delivery. It has significantly enhanced the efficiency of public spending and expanded the reach of social benefits. Over the period 2014-2024, DBT has not only reduced fiscal leakages by INR 3.48 trillion but also ensured that there is optimized public service delivery in India.

4.20. Since the introduction of DBT, allocations of welfare schemes of the Government of India have been halved from 16% to 9% of total government expenditure, reflecting a major improvement in the efficiency of public spending. The integration of DBT with Aadhaar and mobile-based transfers has also helped in addressing inefficiencies and curbing misuse.

4.4 Trade facilitation

4.21. The Central Board of Indirect Taxes and Customs (CBIC) launched "Turant Customs" to modernize and simplify customs in India using technology and automation. This aims to make customs paperless, contactless, and faster for cross-border trade. A new postal export system with the Department of Posts (DoP) now uses digital tools and the postal network to make mail exports paperless, contact-free, and easier for small businesses.

4.22. Key enhancements worthy of reporting include the Single Window (SWIFT) which allows for real-time integration of various certificates from multiple Partner Government Agencies (PGAs) on the unified dashboard. A bilingual, user-friendly Indian Customs Electronic Data Interchange Gateway (ICEGATE 2.0) website with widgets, customized alerts, and online document filing for enhanced user experience has been launched. To reduce the time involved in the clearance process, a mobile tablet (ICETAB) for examination with image-capture capabilities has been introduced, along with a digital ledger to enable advanced, interest-free deposits for seamless duty and fee payments. Additionally, the Direct Port Delivery has been extended to all the facilitated Bills of Entry (BEs) that require only document-based verification. A faceless grievance redressal system enables ICEGATE users to escalate and track delays in Bill of Entry clearance.

4.23. There has been a gradual shift among nations towards digitalization, including through the exchange of Electronic Certificate of Origin (e-COO) as well as effecting electronic origin data exchange (EODES). To reduce compliance costs, enhance security, and improve transparency in the trade process, India is transitioning from paper-based to e-CoOs for preferential trade. CBIC endeavours to replace the system of paper COO used in the preferential trade agreements to e-COO. The implementation of e-COO under current and future trade agreements is expected to ensure smoother, more efficient trade processes and greater trade facilitation across its global partnerships. e-COOs streamline the process of certifying the origin of goods, offering benefits like online verification of authenticity, faster issuance, and reduced paperwork. They replace traditional paper-based certificates, facilitating secure trade and increasing efficiency. While India is issuing e-COOs in all its FTAs where the partner country(s) have no explicit objection, it is accepting e-COOs under the India-UAE CEPA, India-Australia ECTA, India-Japan CEPA, India-Sri Lanka FTA, and India-Korea CEPA.

[43] https://www.dpi.global/globaldpi/allcountrydpi.
[44] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2123192&reg=3&lang=2.

4.24. India now allows self-certification under India-UK CETA and similar schemes in agreements with EFTA, Mauritius, and other partners like New Zealand, Chile, and the EU. This extends facilitation to trusted partners while managing risk.

4.25. Automatic advance exchange of Customs data between two Customs administrations is a path-breaking global initiative of the CBIC. This endeavour is aligned with the World Customs Organization's vision of Globally Networked Customs (GNC). The information exchanged through this arrangement will be used for trade facilitation, risk management, and tax compliance, including checking goods declarations, authenticity, and conducting investigations. It would entail the electronic transmission of selected data fields from export declarations as soon as the exporting country allows customs clearance. The importing side will use the data so received to authenticate the corresponding import declarations, as and when they are filed.

4.26. Since 2021, India signed MoUs on pre-arrival customs data exchange with the Maldives, the Russian Federation, and Nepal to boost trade facilitation and compliance. With Republic of Korea, India launched EODES in 2023 for real-time electronic origin data exchange between customs authorities and exporters/importers.

4.27. The National Time Release Study in India is conducted as an annual national-level study adopting a standardized methodology and covering the bills of entry (for imports) and shipping bills (for exports) submitted during the first week of January. The NTRS 2025 is the fifth national-level edition of this annual study, which shows a significant reduction in average release time across both the import and export sectors, owing to a host of reform measures and systemic developments.

4.5 Ease of Doing Business

4.28. India improved dramatically in the World Bank's Doing Business 2020 rankings, moving from 142nd in 2014 to 63rd, reflecting sustained regulatory reforms to enhance the business environment.

4.29. Business Reforms Action Plan (BRAP) was `launched in 2014–2015 with the objective of making India a globally competitive and business-friendly economy. Over the years, BRAP has evolved into one of the most comprehensive sub-national reform exercises globally, promoting a culture of reform and cooperative federalism among States and Union Territories. Through seven editions of BRAP, more than 9,200 reforms have been implemented across States and UTs. At present, over 30 States/UTs have operational Single Window Systems, 29 have been integrated with the National Single Window System (NSWS), and 28 have implemented Central Inspection Systems, improving transparency and efficiency in service delivery.

4.30. The BRAP 2024 represented a comprehensive and widened framework, integrating new ideas and convergence across flagship national initiatives such as Reducing Compliance Burden (RCB), Decriminalisation of Minor Offences, and B-READY (World Bank initiative). This reflects India's sustained reform momentum, with over 70% of the reform points implemented by more than 30 States and UTs. Key achievements included integration of 31 State portals with the National Single Window System (NSWS), operationalization of Unified Central Inspection Systems in 33 States/UTs, and adoption of GIS-based land mapping, automated plot allotment, and online land-use conversion systems. The institutionalization of the PM Gati Shakti framework and the expansion of plug-and-play industrial infrastructure across 30 States further strengthened the ease of doing business ecosystem.

4.31. The NSWS provides investors a single digital interface to obtain approvals, licenses, and clearances. Over 30 States and UTs have operational systems, with 29 integrated into it.

4.6 Trade-related capacity-building

4.32. India provides capacity-building and technical assistance through bilateral partnerships, South-South and Triangular Cooperation, and multilateral engagement. A cornerstone of these efforts is the Indian Technical and Economic Cooperation (ITEC) Programme, operational since 1964, which delivers training through over 100 premier institutions. Since 2014, more than 400,000 participants from partner countries have been trained. Since January 2021, the Centre for

WTO Studies at IIFT conducted 14 trade-related ITEC courses, training 324 international participants and sharing India's expertise in WTO and trade policy matters.

4.33. The NiryatBandhu Scheme, a flagship outreach initiative of the Directorate General of Foreign Trade (DGFT), is designed to support and empower new and small exporters by providing guidance, mentorship, and handholding support across the export lifecycle. The scheme facilitates entry into international trade by imparting knowledge on export procedures, documentation, and compliance through structured counselling, training, and outreach programmes.[45] The scheme focusses on mentoring new and potential exporters through orientation programmes, counselling sessions, and individual facilitation, enabling their integration into global trade and contributing to export growth. In coordination with institutions such as the Indian Institute of Foreign Trade, it has also enabled outreach programs and capacity-building initiatives for exporters.[46]

4.34. The National Academy of Customs, Indirect Taxes & Narcotics (NACIN), along with its Zonal Training Institutes (ZTIs), has significantly expanded trade-related capacity-building since 2021 through structured programmes on trade facilitation, customs procedures, compliance, and WTO Trade Facilitation Agreement (TFA)-aligned practices. NACIN has also emerged as a regional hub for international customs training, conducting over 30 programmes since 2021 under ITEC, ADB-SASEC, IMF-SARTTAC, WCO, EXBS, and bilateral frameworks. These initiatives trained officers from Asia, Africa, and neighbouring regions on WTO-TFA implementation, digital customs, risk management systems, time release studies, coordinated border management, export controls, and environment-linked trade measures. India's experience in faceless customs, Authorised Economic Operator programme, Risk Management System, and digital trade facilitation has also found merit in participating countries.

4.35. Capacity-building efforts increasingly integrate emerging technologies such as AI-based risk assessment, data analytics, blockchain concepts, digital forensics, and green customs practices.

5 INDIA AND THE WTO: STRENGTHENING MULTILATERAL SYSTEM

5.1 WTO reform

5.1. India is of the view that the agenda for WTO reform must be development-centric, preserving the core values of the multilateral trading system, strengthening the provisions of special and differential treatment in existing and future agreements. It must also preserve the multilateral character of the WTO, including consensus-based decision-making and the most-favored-nation principle.

5.2. The reform agenda must preserve the necessary policy space and flexibilities, embedded in WTO Agreements, for developing and least developed countries to achieve the objectives of the Marrakesh Agreement. In order to be widely acceptable, discussions on the WTO reform should be premised on the principles of inclusivity, equity, and mutual trust. Discussions on pending mandated issues must precede other discussions, so as to bridge any trust deficit among the Members and prevent fragmentation of the multilateral trading system.

5.3. As WTO reform is a continuous process, it must extensively review and take stock of previous successes and failures, starting from the Doha Round, along with the concerns raised and priorities highlighted by the WTO Members at the 14th Ministerial Conference, concluded recently.

5.2 Appellate Body

5.4. India stands for the restoration of a standing, independent, and binding two-tier dispute settlement system with immediate restoration of the Appellate Body. The continuation of formal discussions on dispute settlement reforms, with a view to resolving the matter, is the need of the hour to restore and uphold the rules-based multilateral trading system.

[45] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2149736&reg=3&lang=2.
[46] https://www.pib.gov.in/newsite/printrelease.aspx?relid=126728&utm_&reg=3&lang=2.

5.3 Special and differential treatment

5.5. Special and differential treatment has enabled developing Members, including LDCs, to calibrate their trade integration and pursue policies to reduce poverty, generate employment, and integrate meaningfully into the global trading system, even as development challenges persist. Any unilateral action that deprives developing Members of these treaty-embedded rights would be inconsistent with WTO obligations and would erode the rules-based multilateral trading system. Accordingly, developing countries' unconditional rights to special and differential treatment must continue, existing provisions must be upheld, developing countries must retain the right to self-assessment, and special and differential treatment must be provided in current and future negotiations. Attempts to dilute these principles would lead to an intractable deadlock at the WTO.

5.4 Agriculture

5.6. India's position in the WTO agriculture negotiations is anchored in a sequential, mandate-driven approach that gives utmost priority to delivering outcomes on the Permanent Solution on Public Stockholding (PS on PSH) for food security purposes; the Special Safeguard Mechanism (SSM) for developing country Members, including LDCs; and Cotton, followed by other pillars. PS on PSH for food security purposes is India's topmost priority, reflecting the scale of its food security programmes that cover about 75% of the rural and 50% of the urban population.

5.7. Moreover, regarding domestic support reform, India calls for eliminating historical asymmetries in the form of the Final Bound Total Aggregate Measurement of Support (FBTAMS) that benefit a few Members and insists that any discipline on domestic support be based on per-farmer or per-capita criteria. Crucially, Special and Differential Treatment (S&DT) for developing countries must not be diluted in any form.

5.5 Fisheries

5.8. The Agreement on Fisheries Subsidies represents the first multilateral framework to prohibit certain harmful fisheries subsidies that contribute to illegal, unreported and unregulated (IUU) fishing, and the depletion of overfished stocks, and unregulated high seas fishing, thereby advancing global efforts towards sustainable fisheries management.

5.9. The WTO Agreement complements and reinforces India's domestic regulatory framework by prohibiting subsidies to vessels or operators engaged in IUU fishing or fishing of overfished stocks. In this context, the Sustainable Harnessing of Fisheries in the Exclusive Economic Zone (EEZ) Rules, 2025, notified by the Government of India under the Territorial Waters, Continental Shelf, Exclusive Economic Zone and Other Maritime Zones Act, 1976, establish a comprehensive framework for responsible and sustainable fishing activities in India's EEZ. Further, the Government of India notified the Guidelines for Sustainable Harnessing of Fisheries in the High Seas with a view to promoting sustainable utilization of the fisheries resources in areas beyond the limits of India's EEZ.

5.10. India remains firmly committed to the principle that environmental sustainability and livelihood security must advance together. The Government continues to engage closely with coastal States, fishing communities and other stakeholders to ensure that the implementation of the Agreement on Fisheries Subsidies supports the welfare of fishers, conserves marine ecosystems, and contributes to the long-term sustainability of ocean resources.

5.6 Services issues at the WTO

5.11. India has been playing a constructive role in services negotiations in the WTO, and the focus has been on reinvigorating multilateral discussions, especially on issues of key importance to developing and least developed countries.

5.12. India has been highlighting the high cost of cross-border remittances as a major concern for developing countries. Similarly, it has also been highlighting the lack of recognition of professional qualifications, which is posing a major barrier to services trade. India, along with Kyrgyz Republic

communicated a joint submission on this issue.[47] India has also been working with the WTO Secretariat and Members in deepening engagement on these issues including through conduct of thematic seminars.

5.13. With the digital revolution still unfolding, it is important to first understand the complex and multifaceted dimensions of issues related to e-commerce. Accordingly, India has been a proponent of strengthening the multilateral work under the non-negotiating mandate of the exploratory Work Program on e-commerce.

5.14. To emphasize the development dimension of E-Commerce, India tabled three submissions on subjects of interest to developing and least developed countries- First, "Consumer Protection in E-Commerce" (WT/GC/W/857) discussing in detail the current context of the rapid growth of the e-commerce sector, the paradigm of consumer protection in e-commerce, challenges and recurrent issues in consumer protection in e-commerce, regulatory aspects and a brief description of work at the international level on the theme at different international fora; Second, "Role of Digital Public Infrastructure (DPI) in Promoting E-Commerce" (WT/GC/W/863) describing the various challenges and issues limiting the adoption and use of E-Commerce, the paradigm of DPI and its ideal features, few notable DPI projects, including those adopted in India; and Third, "Promoting Competition in E-Commerce" (WT/GC/W/902) which focusses on concentration in global E-Commerce and challenges faced by developing and least developed countries on account of anti-competitive practices of large E-Commerce players.

6 INDIA'S BILATERAL TRADE ENGAGEMENT

6.1. To put the trade on a high growth trajectory through enlarging the scope of market access, thereby providing enhanced trade potential, creating benefits for industry, creating job opportunities, and integration into the global value chain, India has engaged actively with the external market and diversified its strategy based on the changing dynamics of commerce and economic growth in the world economy. India seeks to engage with regions and countries that have complementarities with the Indian economy. India views regional trade agreements (RTAs) and preferential trading arrangements (PTAs), as "building blocks" towards achieving the overall objective of trade liberalization/harmonization of Tariffs and Non-tariff Measures. Updates on India's important trade engagements are briefly discussed in this section.

6.1 South Asia

6.2. The seven-member countries of SAARC (India, Pakistan, Nepal, Sri Lanka, Bangladesh, Bhutan, and the Maldives) signed the Agreement on South Asian Free Trade Area (SAFTA) in the year 2004, which was joined by Afghanistan as the eighth member in 2007. In addition, India has bilateral trade agreements providing preferential market access to Bhutan and Nepal, a preferential trade agreement (PTA) with Afghanistan (2003), and a free trade agreement with Sri Lanka (1998), which is being expanded into a Comprehensive Agreement covering trade in services and investment. The Foreign Trade Agreement (IMFTA) between India and Maldives is under consideration with an aim boost the regional trade.

6.2 Southeast & East Asia

6.3. The India ASEAN Trade in Goods Agreement (AITIGA) became operational from January 2010 onwards (with different dates for ASEAN countries). India and ASEAN are currently engaged in the review of the AITIGA. The Services and Investment Agreement entered into force on 1 July 2015. Besides this, India's deepening economic and commercial engagement with South East Asia is evident from the following agreements: a bilateral agreement with Thailand (2004), a Comprehensive Economic Cooperation Agreement (CECA) with Singapore (2005), a Comprehensive Economic Cooperation Agreement (CECA) with Malaysia (2011). The India-Republic of Korea Comprehensive Economic Partnership Agreement (CEPA) came into force in January 2010, while that with Japan came into force in August 2011.

[47] Communication from India and the Kyrgyz Republic, Proposal – "Experience and information sharing session on facilitating recognition of professional qualifications", S/C/W/473/Rev.1 dated 14 March 2025.

6.3 Australia & New Zealand

6.4. India signed an Economic Cooperation and Trade Agreement (ECTA) with Australia on 2 April 2022, which came into force on 29 December 2022. Building upon the ECTA, negotiations are underway on the India-Australia Comprehensive Economic Cooperation Agreement (CECA) to establish a deeper and more comprehensive framework covering trade in goods, services, investment, and cooperation in other exploratory areas. Also, India has concluded negotiations for a comprehensive, balanced, and forward-looking Free Trade Agreement (FTA) with New Zealand.

6.4 Americas

6.5. Limited scope preferential trade agreements (PTAs) were signed with MERCOSUR and Chile in 2004 and 2006, respectively. India and MERCOSUR have agreed to initiate formal dialogue for the expansion of the PTA. India – Chile PTA was expanded in 2016 with enhanced tariff concessions, and now both countries are engaged in negotiations for a Comprehensive Economic Partnership Agreement (CEPA). India is also negotiating trade agreements with Peru and the United States, and initiated preliminary discussions for initiating trade agreement negotiations with Canada.

6.5 Europe

6.6. India signed the Trade and Economic Partnership Agreement (TEPA) with European Free Trade Association (EFTA) in March 2024. The TEPA has entered into force with effect from 1 October 2025.

6.7. India and the United Kingdom have signed the Comprehensive Economic and Trade Agreement (CETA) on 24 July 2025. India-EU FTA negotiations were formally re-launched on 17 June 2022. India has also announced a trade agreement with the European Union recently.

6.6 CIS

6.8. India and the Eurasian Economic Union (EAEU), comprising Armenia, Belarus, Kazakhstan, Kyrgyz Republic and the Russian Federation, signed the Terms of Reference (ToR) on 20 August 2025 in Moscow to launch negotiations on a Free Trade Agreement. The ToR provides the framework for the negotiations. Following the signing of the ToR, the first round of negotiations were held in November 2025 in India. This development builds on the earlier India-Russian Federation understanding reflected in the Saint Petersburg Declaration 2017, which called for an early commencement of negotiations on a free trade agreement between India and the EAEU. With a combined GDP of USD 2.97 trillion and a population of 185.4 million, the Eurasian Economic Union represents a significant regional market for India's trade engagement.

6.7 Middle East & Africa

6.9. India and Mauritius are party to a Comprehensive Economic Cooperation and Partnership Agreement since 2021. India signed the Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (UAE) in February 2022, which came into force in May 2022. India has also signed CEPA with Oman in December 2025, which is under ratification. India and Israel have signed the Terms of Reference to initiate formal negotiations for a Free Trade Agreement (FTA). India is also working towards finalizing Terms of Reference (ToR) for a Free Trade Agreement (FTA) negotiation with the Gulf Cooperation Council (GCC) and a Preferential Trade Agreement (PTA) negotiation with the Southern African Customs Union (SACU).

6.8 G-20 and other fora

6.10. India has actively and constructively engaged in successive G20 Presidencies, including those of Italy (2021), Indonesia (2022), Brazil (2024), and South Africa (2025), contributing to priority areas such as strengthening the role of trade in reducing inequalities, enhancing the resilience of global value chains (GVCs), etc. India chaired the 2023 G20 under "Vasudhaiva Kutumbakam", focusing on climate action (One Earth), inclusion and equity (One Family), and innovation (One Future). Under India's Presidency, a key outcome was the admission of the African Union as a permanent member of the G20.

6.11. The Trade and Investment Working Group (TIWG) under the Indian G20 presidency prioritized trade for growth and prosperity, resilient Global Value Chains (GVCs), Micro, Small, and Medium-Sized Enterprises (MSMEs) integration in global trade, logistics for trade, and WTO reforms. The G20 Standards Dialogue addressed sustainability via standardization for "Zero Defect and Zero Effect". Some key initiatives that emerged during the Indian G20 Presidency:

- The G20 Trade and Investment Ministerial Meeting agreed on the G20 Generic Framework for Mapping GVCs;
- Jaipur Call for Action for enhancing access to information for MSMEs;
- High-Level Principles on Digitalization of Trade Documents; and;
- The Compendium of Best Practices on MRAs for Professional Services.

6.12. India has also contributed actively to BRICS across multiple Presidencies, including China (2022), South Africa (2023), the Russian Federation (2024), and Brazil (2025). India chaired the BRICS in 2021 in New Delhi under the theme "BRICS@15: Intra-BRICS Cooperation for Continuity, Consolidation and Consensus", prioritizing multilateral reform, counter-terrorism, digital tools for SDGs, and enhancing people-to-people exchanges. BRICS Trade Ministers adopted a Joint Communiqué and key documents, including statements on the multilateral trading system, e-commerce consumer protection, IPR cooperation on genetic resources, traditional knowledge and traditional cultural expressions, professional services trade, and an Implementation roadmap for the BRICS Economic Partnership 2025 Strategy. During its Chairship in 2021, India undertook targeted initiatives to deepen trade and economic cooperation within the grouping. These included the organization of a BRICS Trade Fair to facilitate buyer-seller engagement, a roundtable for BRICS MSMEs, and workshops on services trade statistics, all of which witnessed successful participation.

6.13. Within the Shanghai Cooperation Organization (SCO), India has participated constructively in the initiatives under various Heads of Government Presidencies, including those of Kazakhstan (2021), China (2022), the Kyrgyz Republic (2023), Pakistan (2024), and Russian Federation (2025). India assumed the presidency of the Shanghai Cooperation Organisation (SCO) Council of Heads of State (CHS) on 17 September 2022 in Samarkand, hosting the virtual summit on 4 July 2023. It prioritized an "SECURE" SCO (Security, Economic Development, Connectivity, Unity, Sovereignty respect, Environmental protection) and five new verticals: Startups/Innovation, Traditional Medicine, Science/Technology, Youth Empowerment, and Shared Buddhist Heritage. India has set up new pillars of cooperation under its Chairmanship - Startups and Innovation; Traditional Medicine; Digital Inclusion; Youth Empowerment; and Shared Buddhist Heritage.

6.14. India has engaged constructively in UNCTAD processes, including ministerial-level deliberations, contributing to outcomes such as the "Geneva Consensus", Ministerial Declaration of the Group of 77 and China to UNCTAD XVI and the Global System of Trade Preferences (GSTP) Ministerial.

6.15. India has maintained active participation in a range of plurilateral and multilateral forums, including the Commonwealth Trade Ministers Meeting (CTMM), the Indian Ocean Rim Association (IORA) Working Group on Trade and Investment (WGTI), as well as engagements with the G7 and G77, among others.

7 SUSTAINABLE AND INCLUSIVE TRADE

7.1 Micro, Small, and Medium Enterprise (MSME)

7.1. MSMEs play a vital role in employment generation, innovation, and inclusive economic growth, yet their participation in global trade remains limited due to constraints such as inadequate finance, complex trade procedures, lack of technology, and limited market access. To address these challenges, impetus in needed in access to affordable export credit and trade finance, simplify customs and documentation through single-window and digital systems, and strengthen logistics and infrastructure to reduce transaction costs. Capacity-building initiatives are needed to train

MSMEs in export procedures, international quality standards, packaging, and branding, while support for technology upgradation, R&D, and innovation can enhance their global competitiveness.

7.2. Further, to facilitate MSME integration into global trade requires stronger market access and institutional support. This includes assistance for compliance with international standards and certifications, participation in trade fairs and buyer–seller meets, and access to global market intelligence. Promoting digital trade and cross-border e-commerce, encouraging cluster-based development, and integrating MSMEs into global value chains through linkages with large firms and foreign direct investment can significantly expand their export presence.

7.3. The MSME sector is a cornerstone of India's economy, contributing around 30% of GDP and over 45% of exports, while generating large-scale employment, particularly in rural and semi-urban areas. It strengthens domestic value chains by complementing large industries as ancillary units. To enhance scale, productivity, and global competitiveness, the MSME definition was revised in the Union Budget 2025–2026, building on the 2020 framework and retaining a composite classification for both manufacturing and services, enabling enterprises to grow and integrate more effectively into global value chains.

7.2 Women

7.4. The vision of Viksit Bharat @2047 places women at the centre of economic development, recognizing their role in expanding labour force participation, entrepreneurship, and engagement in global trade. Enhancing women's participation in international trade requires strengthening grassroots institutions, expanding financial inclusion, and enabling women-led enterprises to access global markets.

7.5. Women Self Help Groups (SHGs) have emerged as strong vehicles for socio-economic transformation and have the potential to be scaled as exporters of goods and services. Nearly 100 million women are mobilized into around 9 million SHGs across the country, creating one of the largest women collectives in the world engaged in livelihood generation, production, value addition and micro-enterprise activities.

7.6. Government of India initiatives, such as Lakhpati Didi (currently approximately 14.8 million beneficiaries), aim to enable women SHG members to earn sustainable annual incomes, thereby creating a strong base for market-oriented and export-ready production.

7.7. More than 46,000 Bank Sakhi's (Banking Correspondents) and more than 200,000 women enrolled under the Bima Sakhi (Mahila Career Insurance Agents) have been integrated into the formal financial and insurance ecosystem, improving access to credit, savings, and risk coverage essential for trade-related activities. Schemes like Namo Drone Didi (Women Drone Pilots) have also introduced women to modern agricultural technology, improving productivity, quality and scalability.

7.8. The Government of India is promoting SHGs with potential to become Brands/ Unicorns, and such SHGs may be provided targeted support in skilling, credit mobilization, branding, packaging, etc.

7.9. Financial inclusion initiatives have integrated millions of women into the formal banking system, enabling access to credit, digital payments and financial literacy necessary for export-oriented activities. Schemes such as Start- Up India and Stand-Up India have encouraged women entrepreneurs to establish and scale enterprises, including in sectors such as IT, design, food processing, and manufacturing, many of which possess export potential.

7.10. Further, in a concerted effort to encourage women innovators to file patent applications and protect their inventions, the Indian Patent Act provides for expedited examination when at least one of the applicants is a female. In addition, women entrepreneurs, filing for protection of their Intellectual Property in an individual capacity, benefit from reduced fees as compared to other large entities. Patent filings by women have increased by over 905% in the past five years.

8 CHALLENGES

8.1 External market challenges

8.1. India's trade performance in recent years has been impacted by a range of external challenges. Events such as global supply chain disruptions arising from geopolitical tensions, pandemic, climate-related events, and export controls by some countries have adversely affected the availability and cost of critical inputs. In addition, issues of excess capacity and overproduction in certain sectors have led to trade distortions and price fluctuations in international markets. India is also facing an increased use of non-tariff measures by some trading partners, including complex standards, conformity assessment procedures and regulatory requirements. These have resulted in constrained market access for Indian industry in foreign markets. Despite these challenges, India continues to engage constructively with WTO Members to address these, while also pursuing domestic reforms and international cooperation to enhance supply chain resilience and promote a transparent, rules-based multilateral trading system.

8.2. As India pursues its "Viksit Bharat 2047" vision, aiming for developed-nation status amid complex digital, green, and demographic transitions, unimpeded access to global markets, critical minerals, and high-end technology remains a non-negotiable imperative.

8.3. Consequently, India remains a steadfast advocate for a reformed, rules-based global economic architecture, one that inherently safeguards the developmental imperatives and sovereign policy space of the Global South. India wishes to simultaneously advancing a pragmatic alignment strategy by deepening bilateral and regional partnerships with like-minded economies. This calibrated approach ensures that India's integration into the global economy remains consistent with its long-term developmental goals.

9 CONCLUSION AND LOOKING FORWARD

9.1. Overall, India's growth trajectory reflects a structurally strengthening economy anchored in sound macroeconomic fundamentals and sustained reform momentum. Continued investments in infrastructure upgradation, logistics and connectivity, expansion of productive capacity, strengthened credit flows to the commercial sector, alongside wide-ranging social and skill development initiatives, are expected to generate enduring multiplier effects across the economy.

9.2. In the multilateral arena, India believes that continued commitment to WTO rules is necessary for global trade. India's trade policy will remain firmly aligned with its broader reform agenda, deepening integration with the global economy while advancing a strengthened and equitable rules-based multilateral trading system. India aspires to safeguard the development priorities and legitimate policy space of the Global South, while advancing toward its long-term objective of attaining high middle-income status by 2047, the centenary year of its independence.

10 ANNEX-I

10.1. To assist in deriving approximate United States Dollar (USD) equivalents, average annual exchange rates for the relevant periods are provided in the table below.

Table 10.1

	Financial year (April-March)	INR per USD
1	2020-2021	74.22
2	2021-2022	74.50
3	2022-2023	80.36
4	2023-2024	82.79
5	2024-2025	82.57

Source: Reserve Bank of India, Database on the Indian Economy.