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Business News

India–UK CETA Opens New Trade and Investment Opportunities for MSMEs



The India–UK Comprehensive Economic and Trade Agreement (CETA) is set to create significant opportunities for Indian exporters, MSMEs and businesses by strengthening market access, investment flows and integration into global value chains, according to Shri R.K. Mishra, Additional Director General of Foreign Trade (DGFT), Mumbai, Ministry of Commerce & Industry, Government of India.

Speaking at the **"India–UK CETA Dialogue: Unlocking New Trade & Investment Opportunities"**, organised by **MVIRDC World Trade Center Mumbai** in association with the **All India Association of Industries (AIAI)**, Mishra described CETA as a landmark agreement covering goods, services, investment and mobility.

He said the agreement represents an important opportunity for Indian exporters and MSMEs to expand their presence in the UK, enter new markets and strengthen their participation in international supply chains.

Mishra emphasised that the focus should now move towards the **effective utilisation of CETA by businesses**, particularly MSMEs. Key areas include tariff benefits, simplified rules of origin, self-certification and access to opportunities in UK government procurement.

He also highlighted the role of the Government of India's **Export Promotion Mission** in strengthening MSME competitiveness through export credit, market intelligence, certification and compliance support.

According to Mishra, the complementary strengths of the two economies could further strengthen bilateral commercial ties. The UK brings capabilities in technology, finance and advanced manufacturing, while India offers skilled manpower, manufacturing capacity and entrepreneurial strength.

"Stronger business-to-business connections and greater awareness at the enterprise level will be critical to realising CETA's full potential," he said.

CETA Opens Opportunities Across Key Sectors

Mr. Mark Birrell, Trade Counsellor – South Asia, British Deputy High Commission, Mumbai, said CETA could make bilateral trade "cheaper, quicker and easier", while its long-term success would depend on businesses actively using the opportunities created by the agreement.

He pointed to significant potential across **advanced manufacturing, medical devices, aerospace, automotive, clean energy, textiles, engineering goods and processed foods**, along with services including finance, education, research and innovation.

Birrell also highlighted the role of Mumbai and Maharashtra in strengthening the India–UK trade and investment corridor.

Nearly 99% of Indian Exports to Receive Zero-Duty Access

Dr. Vijay Kalantri, Chairman, MVIRDC World Trade Center Mumbai and President, AIAI, highlighted the scale of the market-access opportunities under CETA.

He said the agreement provides **zero-duty access to nearly 99% of India's exports to the UK**, covering almost 100% of India's export value. In return, India will remove or reduce tariffs on 90% of tariff lines for UK goods, covering 92% of existing UK goods exports to India.

Indian sectors including **textiles, pharmaceuticals, leather, engineering goods and other labour-intensive industries** are expected to benefit from improved market access and lower tariffs.

Kalantri stressed that effective implementation, greater awareness among MSMEs and stronger business-to-business linkages will be essential to converting the agreement's provisions into higher exports, investments and long-term commercial partnerships.

UK Companies Show Growing Interest in Indian Partnerships

Ms. Garima Jain, International Market Advisor, Export Support Service; Mr. Sandeep Kudtarkar, Country Head, UKEF; and Mr. Abhishek Jha, Head of Inward Investment – Western India, shared insights into the practical opportunities emerging from CETA.

The speakers highlighted growing interest among UK companies in partnering with Indian businesses, as well as the availability of government-backed export finance for eligible trade transactions.

They also outlined opportunities for Indian companies to use the UK as a platform for international expansion. Areas such as **technology, healthcare, advanced engineering, energy, professional services, research and development, and innovation** were identified as potential areas for stronger India–UK collaboration.

The discussion also highlighted the benefits of the **Double Contribution Convention** for Indian companies deploying professionals to the UK.