Apparel Export Promotion Council

Apparel Industry hails India- UK FTA; thanks Hon'ble Prime Minister and Commerce Minister for their relentless efforts.

India-UK FTA will usher a new era of bilateral trade by reducing tariffs, easing market access, encouraging investment and job creation in the garment sector: Chairman AEPC.

New Delhi/ Gurugram;24th **July 2025:India** and the United Kingdom have signed a landmark <u>Free Trade Agreement</u> (FTA) on Thursday, during Hon'ble Prime Minister Shri Narendra Modi's visit to the United Kingdom. Shri Sekhri also thanked Hon'ble Prime Minister Shri Narendra Modi and the Union Commerce Minister, Shri Piyush Goyal, for their relentless efforts on conclusion of this deal.

Reacting on the development. Shri Sudhir Sekhri, Chairman AEPC, said, "The signing of the landmark India-UK Bilateral Trade Agreement, marks a significant milestone in strengthening the strategic and economic ties between the two nations. This deal will usher a new era of garment trade with the UK. This agreement will enhance market access, spur investment and job creation in the garment sector, besides creating new opportunities for businesses and consumers on both sides."

"India- UK FTA will not only give competitive market access to the Indian apparel products in the UK market, but also increase the trust and reliability factor by streamlining customs procedures and mutual recognition of standards, thereby, reducing the compliance burdens for the Indian apparel exporters. With duty-free access, the apparel exports to the UK will witness a renewed thrust and moment in coming years. The deal is a testimony of a shared commitment of deepening cooperation between two great nations," Chairman AEPC added.

The United Kingdom is a global fashion hub and the 5th largest garment importer of the world. The country imported garments worth USD 19.7 billion from the world in the year 2024. India, with its robust apparel sector, has long been a trusted partner for the UK. In 2024, India exported USD 1.2 billion worth of garments emerging as one among top four suppliers to the UK.

For most of the garment products, the duty to export to the UK is 9.6%. India mainly exports cotton-based garments such as t-shirts, ladies dresses, and babywear but lacks competitiveness in winter wear and MMF garments.