VRKAN VENTURES

CROSS-BORDER ADVISORY · UK–INDIA

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The UK–India CETA: A Practical Playbook

What the Comprehensive Economic and Trade Agreement changes for firms on both sides of the bridge — and the steps to capture the benefit.

By the Vrkan Editorial Team

The UK–India Comprehensive Economic and Trade Agreement (CETA) entered into force on 15 July 2026, alongside the Double Contributions Convention. It is the most significant trade agreement either economy has concluded in a generation, and it materially changes the economics of trading, investing and moving people across the corridor. This playbook sets out what changes, for whom, and the practical sequence to actually capture the benefit.

1. What CETA is, and when it applies

CETA is a comprehensive free-trade agreement covering goods, services, investment, government procurement and mobility. It came into force on 15 July 2026 and underpins the shared ambition to roughly double bilateral trade toward US$100 billion by 2030. It sits alongside the Double Contributions Convention (DCC), a reciprocal social-security arrangement described in section 5.

2. What changes for Indian exporters to the UK

From day one, around **99% of Indian exports** enter the UK duty-free. The immediate beneficiaries are labour-intensive and engineering sectors that previously faced UK tariffs:

- Textiles, apparel and made-ups; leather goods and footwear.
- Gems and jewellery; marine products; processed food and agriculture.
- Engineering goods, auto components, chemicals and organic chemicals.

The practical effect is a step-change in landed-cost competitiveness against non-preferential suppliers. The condition is **proving origin** — see section 4.

3. What changes for UK exporters to India

India reduces tariffs on roughly **90% of tariff lines**, covering the large majority of UK exports, with liberalisation rising toward around 99% of trade value over a ten-year phase-in. Headline movements include:

- Scotch whisky and gin: tariff cut from 150% to 75% on entry, then to 40% over ten years.
- Automobiles: phased tariff reductions under a quota system.
- Medical devices, aerospace parts, advanced machinery and electricals.
- Cosmetics, lamb, salmon, soft drinks and confectionery.

On services, India has opened commitments across a broad range of sub-sectors, with reciprocal access improving certainty for UK professional, financial and business-services firms.

4. Rules of origin — the condition on the benefit

Preferential tariffs apply only to goods that **qualify as originating** under CETA's product-specific rules (a mix of value-added thresholds and tariff-heading change rules). To claim benefit a firm must be able to demonstrate origin, self-certify on the correct documentation, and retain supporting records. This is the single most common point where anticipated savings are lost — goods are shipped, but origin cannot be substantiated on audit.

5. The Double Contributions Convention (DCC)

The DCC removes double social-security liability for detached (posted) workers. An employee seconded across the corridor can now remain in their home social-security system for up to **60 months** — extended from the previous 52-week position — and is exempt from host-country contributions for that period. It is expected to benefit around 75,000 Indian workers and their UK employers, and reduces the cost of moving skilled staff in both directions. Employers should obtain the relevant certificate of coverage before the assignment begins.

6. Mobility and services

Alongside the DCC, CETA includes business-mobility commitments covering intra-corporate transferees, business visitors and contractual service suppliers, giving firms greater predictability when deploying people to deliver contracts.

7. A practical sequence to capture the benefit

Step	What to do
1 · Classify	Confirm HS codes for every product line and check the CETA schedule for the applicable rate and phase-in.
2 · Prove origin	Assess each product against the rules of origin; assemble the value/BOM evidence to substantiate it.
3 · Document	Set up self-certification and record-keeping so origin can be demonstrated on audit.
4 · Reprice	Rebuild landed-cost models and reset price lists to reflect the duty change.
5 · Contract	Align Incoterms, contracts and customs responsibilities with the new duty position.
6 · Mobilise people	Brief HR/mobility on the DCC and obtain certificates of coverage for posted staff.

8. How Vrkan helps

Vrkan Ventures is your single point of coordination across the corridor. We translate CETA from headline into an execution plan, coordinate the customs, origin, tax and mobility specialists who do the regulated filings, manage timelines and meetings, and keep both sides of your business aligned. We are not a law or accountancy firm — we make sure the right qualified professionals are doing the right things, in the right order.