Brief Embassy Report on Bilateral Relations – ITJ Division, DGCI&S, Kolkata.

India – United Kingdom Bilateral Relations

A. Introduction

1. Indian Trade Journal (ITJ) division of the Director General of Commercial Intelligence and Statistics (DGCIS) brings out weekly publication on Embassy Profile Report providing information on recent policy changes and happenings in other countries that may be of interest to the Indian trading community. This is the Embassy Profile Report for 08.07.2026 depicting the Embassy of United Kingdom.

2. India-UK historical ties, over the years have transformed into a robust, multi-faceted, mutually beneficial relationship. During the India-UK Summit in virtual mode on 4 May 2021, Prime Minister Modi and the UK Prime Minister Boris Johnson agreed to a new and transformational India-UK 'Comprehensive Strategic Partnership' and an ambitious India-UK Roadmap 2030 to steer cooperation for the next ten years.

3. In the general elections held in the UK on 4th July 2024, the Labour Party won 412 out of 650 seats and formed government for the first time since 2010 with Sir Keir Starmer as the Prime Minister. PM Modi congratulated PM Starmer in a telephone conversation 6th July and invited him for an early visit to India. In its election manifesto, the Labour Party has stated that it will seek a new strategic partnership with India including a Free Trade Agreement and deepening of relations in security, education, technology and climate change. Both PMs had bilateral meeting on the sidelines of G20 Leaders' Summit in Brazil on 18 November 2024. Both PMs further spoke after the terrorist attack in Pahalgam in April 2025. Both leaders had a telecon on 06 May 2025 and announced the conclusion of India-UK FTA and Double Contribution Convention, a historic milestone in the bilateral relations. Both PMs further briefly met during G7 summit in Canada on 17 June 2025.

B. Political Relations (High-Level Visits/Engagements):

4. On 17-19 September 2022, President Smt. Droupadi Murmu visited London to attend the State Funeral of Her Majesty Queen Elizabeth II. President paid her respects to the Queen lying in state at Westminster Hall and signed the condolence book at Lancaster House on 18 September 2022. President met King Charles III at a reception held at the Buckingham Palace on the same day. The last visit by a British Monarch to India took place in 1997 by Queen Elizabeth II.

5. Vice President of India Shri Jagdeep Dhankhar visited London on 05-06 May 2023 to attend the Coronation Ceremony of King Charles III. He interacted with King Charles III, President of Israel, First Lady of the USA, President of Italy, President of Brazil, during reception at Buckingham Palace. Vice President addressed the members of the Indian community in United Kingdom and interacted with Indian origin MPs of the UK and Indian students.

6. Prime Minister Modi spoke with UK PM Keir Starmer on 6 July 2024 and invited him to visit India. Both met on the sidelines of the G20 Leaders' Summit in Rio de Janeiro on 18 November 2024. PM Starmer called PM after the terrorist attack in Pahalgam on 25 April 2025. Both PMs further spoke

on 6 May 2025 and announced the conclusion of India-UK FTA. Both PMs further briefly met during G7 summit in Canada on 17 June 2025.

7. Prime Minister Modi met then UK Prime Minister Rishi Sunak on the sidelines of G7 Summit in Apulia, Italy on 14 June 2024 and in Japan on 22 May 2023. Prime Minister Rishi Sunak visited India for the G20 Summit hosted by India on 08-10 September 2023 and met the Prime Minister Modi. They reviewed the progress on various aspects of India-UK relations including the early conclusion of India-UK FTA negotiations.

8. Prime Minister Modi met then UK Prime Minister Rishi Sunak in Bali on the side-lines of G20 Summit on 16 November 2022 and carried out discussions to boost trade between the two countries. This was the first in-person meeting between the two, since Mr. Sunak took over as the UK Prime Minister. The Young Professionals Scheme was announced after the meeting.

9. UK Prime Minister Boris Johnson paid an official visit to India on 21-22 April 2022. He held discussions with PM Modi, where both the leaders reviewed the progress made on Roadmap 2030. UK's decision to offer 'Open General Export License' to Indian companies was announced. It was agreed to target an early conclusion of FTA. MoUs on Global Centre for Nuclear Energy Partnership and Global Innovation Partnership were concluded. A joint statement on India-UK Cyber Cooperation was also issued.

10. Prime Minister Modi visited UK from 31 October to 2 November 2021 to attend COP26 World Leaders Summit in Glasgow. He had a bilateral meeting with Prime Minister Boris Johnson. They jointly launched the ambitious 'One Sun, One World, One Grid' (OSOWOG) programme and the Infrastructure for Resilient Island States (IRIS). The OSOWOG is a part of the International Solar Alliance (ISA); and the IRIS is a part of the Coalition for Disaster Resilient Infrastructure (CDRI).

11. Hon'ble LS Speaker Om Birla visited UK on 07-09 January 2025, and held bilateral talks with UK Speaker of House of Commons Lindsey Hoyle.

C. Economic Collaboration

12. India and the UK have strong economic relations which have resulted in steady increase in bilateral trade and investment. Presence of strong Indian community has played an important role promoting bilateral economic relations. Major Indian corporates are present in the UK. Similarly the UK has remained keen on exploring potential of Indian market. Pursuant to the Joint Declaration "India-UK towards a new and dynamic partnership" between two Prime Ministers in September 2004, two formal institutional mechanisms viz. India -UK Joint Economic and Trade Committee (JETCO) and India-UK Economic and Financial Dialogue (EFD) were launched to steer the bilateral cooperation on trade, investments and finance.

13. The JETCO was established on January 13, 2005 to develop a strategic economic partnership and is headed by CIM and his UK counterpart. It has been conceived as a business driven institutional framework to enhance bilateral trade and investment through business to business relationship. The 15th JETCO meeting was held in New Delhi on 13 January 2022 headed by Shri Piyush Goyal, Minister for Commerce and Industry and UK's Secretary of State for International Trade, Ms. Anne-Marie Trevelyan. During this above visit India and UK formally launched the negotiations of the Free Trade Agreement.

14. The EFD was established on 4 February 2005 to strengthen the economic and financial relationship between the two countries and is led by Finance Ministers of both countries. The 13th Economic and Financial Dialogue (EFD) meeting was held in London on 09 April 2025. The focus of the dialogue was on enhancing knowledge exchange, cooperation and support between India and UK to further infrastructure development priorities, robust FinTech partnership and Sustainable Finance.

D. Commercial Relations (Trade and Foreign Investment) – Recent facts & figures

15. The conclusion of India-UK FTA and Double Contribution Convention were announced during the telecon between the Prime Ministers on 06 May 2025, after 3 years of negotiation. It is one of the most comprehensive FTA with 26 chapters covering wide range of areas including Goods, Services, Rules of Origin, IPR, Govt Procurement, Digital, Telecom, Financial services, Environment, Labour etc.

16. India-UK bilateral trade (both goods and services) stood at around 43 billion during the 2024 with imports at around 17 billion and exports at around 26 billion pounds. Total bilateral trade in goods is around 18 billion pounds while trade in services is around 25 billion pounds in 2024.

17. UK is the 6th largest inward investor in India, with a cumulative equity investment of US $ 35 billion till September 2024. India's outward investment to UK is $19 billion till March 2024. There are 971 Indian companies operating in the UK employing over 1 lakh people. There are 667 British companies in India employing over 5 lakh people.

E. Sectoral Collaboration

- **Economic Cooperation:** India and the UK have strong economic relations which have resulted in steady increase in bilateral trade and investment. Presence of strong Indian community has played an important role promoting bilateral economic relations. Major Indian corporates are present in the UK. Similarly the UK has remained keen on exploring potential of Indian market. Pursuant to the Joint Declaration "India-UK towards a new and dynamic partnership" between two Prime Ministers in September 2004, two formal institutional mechanisms viz. India -UK Joint Economic and Trade Committee (JETCO) and India-UK Economic and Financial Dialogue (EFD) were launched to steer the bilateral cooperation on trade, investments and finance.

- **Defence Cooperation:** The Defence Engagement between India and the UK covers a broad spectrum of activities including joint military exercises, port calls, defence technological cooperation, promoting Make in India, subject matter expert exchanges for exchange of best practices (SMEEs), defence education and defence procurement.

  India and the UK engage in regular bilateral and multilateral military exercises. These include flagship exercises like Exercise Konkan 2023, annual bilateral maritime exercise between Indian Navy-Royal Navy in the Arabian Sea off the West Coast of India; (ii) Exercise Cobra Warrior 2023- IAF participated in a Multi-National Air Exercise Cobra Warrior at Royal Air Force Waddington, UK in Mar 2023; (iii) Exercise Ajeya Warrior 2023: Indian Army took part in 7th Edition of Ex Ajeya Warrior (India-UK Biennial Exercise) conducted at Salisbury Plain Training Area (SPTA), Salisbury, UK from

27 Apr 2023 to 11 May 2023, Exercise Tarang Shakti 2024 in August 2024 etc.

- **S&T, Research and Innovation:** India-UK Science and Innovation Council (SIC) which is held once every two years is chaired by the Ministers on both side to develop bilateral relationship in science, technology and innovation. In the past few years, the UK has emerged as India's second largest international research and innovation partner with joint research programme to the tune of £300-400 million.

  Dr. Jitendra Singh, MoS for S&T and Earth Sciences visited UK for SIC in April 2023 and signed MoU for wider cooperation between the two countries, especially in quantum technology, clean energy, pandemic preparedness, AI and machine learning. It was decided to establish a new India-UK Net Zero Innovation Virtual Centre focusing on industrial decarbonization. It is expected to provide a platform to bring stakeholders together to work on focus areas including use of green hydrogen as a renewable energy source. At the SIC, India was named as a partner country for the UK's International Science Partnership Fund, carrying forward the India-UK science partnership built thorough Newton-Bhabha fund.

- **Health:** India-UK bilateral cooperation in mitigating the effects of COVID-19 Pandemic was significant. The joint research and development of the COVID-19 vaccine, under a licensing agreement between UK-based AstraZeneca and Serum Institute of India, was an unprecedented example of India-UK cooperation in addressing global issues of concern and is bound to lay a solid foundation for our close bilateral partnership across varied sectors.

  "India-UK Framework agreement for collaboration on health care workforce" was signed in July 2022 in New Delhi to support for recruitment and training of Nurses, Allied Health Professionals, and other categories of healthcare professionals identified by both the Participants. As per Government of UK Statistics of June 2023, out of 1.51 million NHS staff, 60,533 are from India, second only to British/UK. 18% (25,634) of doctors in the NHS are Asian out of which 10,865 are Indians. 16% of nurses (60,336) working in the NHS are Asian out of which 95% are either Indians or Filipinos. There were a total of 31,992 Indian nurses in the NHS second only to British/UK. There were a total of 11,499 clinical support staff in the NHS second only to British/UK.

- **Education:** Education cooperation is an important pillar of India-UK Bilateral relationship. Since 2015-16, number of first year enrolment of Indian students in the UK Universities have been increasing. Estimate based the number of new student visas is that the number of Indian students in the UK is around 170,000. Various UK Universities are planning to establish their campuses in India, including the new campus of University of Southampton in Gurugram, making it the first foreign university to set up campus under the New Education Policy.

  India and the UK signed mutual recognition of academic qualifications Memorandum of Understanding on 21 July 2022, giving a fillip to cooperation in the education sector between the two countries.

F. Other Major Areas of Cooperation:

- **People-to-people exchanges:** India and UK signed the Migration and Mobility Partnership (MMP) Agreement on 4 May 2021 with the intention to address swifter movement of working professionals between the two countries - an important element of India-UK economic partnership.

On 16 November 2022, PM Narendra Modi and then Prime Minister Rishi Sunak announced the Young Professional Scheme on the side-lines of G20 Bali Summit. Under the scheme, 3000 visas will be provided every year to graduates between the age of 18-30 to get 2-year visa to live and work in each other's country.

- **Indian Diaspora in UK:** The UK has a large Indian diaspora of 1.864 million as per 2021 Census. It forms about 2.6% of the total population of UK, which is estimated at 68 million (in 2022). As per the census, there are 3,69,000 persons holding Indian passport. The energy and ambition of Indian diaspora is reflected in high rates of employment and professional qualifications. The Indian diaspora has made valuable contributions in the areas of academia, literature, arts, medicines, science, sports, industry, business, and politics.

  As per the report 'India in the UK: The diaspora effect' prepared by Grant Thornton and FICCI in March 2022, there are over 65,000 companies owned by Indian diaspora. The report researched 654 companies with turnover of more than £100,000 per year. Their combined revenue is £36.84 billion, they paid over £1 billion in corporate tax, invested over £2 billion through capital expenditure, and created over 174,000 jobs.

Source: www.mea.gov.in