



## Advancing India UK Cooperation

*This editorial is based on “[PM Modi in the UK: Let go of the bilateral baggage](#)” which was published in The Indian Express on 23/07/2025. The article brings into picture the formal signing of the India-UK FTA as a turning point in bilateral ties, where both nations, as middle powers, seek to enhance each other’s global influence.*

**For Prelims:** Comprehensive Economic Trade Agreement (CETA), [Semiconductors](#), [Cybersecurity](#), [HMS Queen Elizabeth to the Indian Ocean](#), [Extradition](#), [Carbon Border Adjustment Mechanism](#), [Intellectual property \(IP\) rights](#), [AUKUS](#) .

**For Mains:** Key Areas of Convergence between India and the UK, Key Areas of Friction Between India and the UK.

The formal signing of the **Comprehensive Economic Trade Agreement (CETA) between India and the United Kingdom** during the Indian Prime Minister's recent London visit represents a pivotal moment in bilateral relations, finally bridging the gap between promise and performance that has persisted since the 1990s. The comprehensive cooperation spanning **trade, technology, defense, and education** marks a departure from past diplomatic setbacks and colonial-era resentments. As middle powers in an increasingly multipolar world shaped by **China's assertiveness and America's unpredictability**, India and Britain are positioning themselves as force multipliers for each other's global influence.

# United Kingdom



## What are the Key Areas of Convergence between India and the UK?

- **Trade and Economic Cooperation:** India and the UK have made substantial strides in economic cooperation, with the **Comprehensive Economic Trade Agreement (CETA)** slated to boost bilateral trade.
  - The bilateral trade between India and the UK increased to **USD 21.34 billion in 2023-24**. The FTA negotiations, progressing under both Conservative and Labour governments, aim to remove tariffs **on 99% of Indian exports**.

- India's exports to the UK grew by **12.6%** to reach **\$14.5 billion in 2024-25**.
  - The **urgency is driven by post-Brexit Britain's need for diversification beyond the EU**, with India's vast and growing market seen as pivotal for the UK's economic revival.
- **Technology and Innovation:** The **India-UK Technology Security Initiative (TSI)**, launched in 2024, solidifies their joint focus on emerging technologies like **AI**, **semiconductors**, and **cybersecurity**.
  - India's thriving tech sector and the UK's advanced research capabilities are an ideal match for innovation-driven collaboration.
  - The **UK's SRAM & MRAM Technologies has already committed INR 30,000 crore in India's semiconductor sector**, reflecting growing tech investments.
    - The ongoing partnership in AI research and development exemplifies the promise of this sector, with both countries focused on developing "**safe, responsible, and human-centric**" AI systems.
- **Defence and Security:** India and the UK have ramped up cooperation in defence, particularly in the Indo-Pacific region, where both share concerns about China's growing influence.
  - The UK's support for India's maritime interests, as seen in the deployment of the **HMS Queen Elizabeth to the Indian Ocean**, showcases a united front for regional security.
  - In 2023, **India's defence purchases from the UK were minimal, representing just 3% of total acquisitions**, but the 2+2 mechanism established in 2023 signals future opportunities for collaboration in defence technology transfer and military interoperability.
- **Climate Change and Green Energy:** The India-UK relationship has become increasingly pivotal in addressing climate change, with both nations committing to ambitious climate goals.
  - **India aims to generate 65% of its electricity from renewable sources by 2030**, while the UK targets net-zero emissions by 2050.
    - Collaborative efforts in green technologies, particularly green hydrogen and climate finance, are key to their partnership.
  - **UK-India Hydrogen Partnerships** builds on the UK-India Hydrogen Hub announced in 2022.
- **People-to-People and Diaspora Ties:** The **Indian diaspora in the UK, comprising over 1.6 million people**, serves as a significant bridge for people-to-people ties between both nations.
  - With a high level of socioeconomic success, the **Indian-origin community in the UK contributes immensely to various sectors**, including healthcare, technology, and business.
  - Additionally, **Indian-origin MPs have made their mark in British politics, with 26 MPs in the Parliament as of 2024**, showcasing the strong influence of the diaspora on political and economic matters.
- **Education and Research Collaboration:** The India-UK education partnership continues to evolve, with Indian students making up a significant portion of international students in the UK.
  - This collaboration, exemplified by the establishment of **Southampton University's campus in India**, highlights the growing importance of educational exchanges.
  - The creation of the **India Young Professionals Scheme** further supports bilateral academic mobility..

## What are the Key Areas of Friction Between India and the UK?

- **Migration and Visa Policies:** Migration has been a longstanding contentious issue between India and the UK.
  - Despite both countries seeking closer ties, **Britain's restrictive post-Brexit immigration policies clash with India's desire for greater mobility** for its skilled professionals.
  - India's growing demand for easier visa access for IT workers, healthcare professionals, and students remains unmet, despite talks for liberalising visa norms.
    - **The India-UK Free Trade Agreement (FTA) discussions were delayed partly because of the difficulty in reconciling immigration demands**, with India seeking greater mobility for professionals in key sectors like IT and healthcare.
- **Legal and Extradition Issues:** **Extradition** remains a sore point between the two countries, with India often accusing the UK of sheltering fugitives and denying requests for extradition.
  - High-profile cases, such as that of **Vijay Mallya**, have highlighted this issue.
  - Despite long-standing efforts, the UK has been hesitant to extradite individuals wanted by



India for corruption, financial crimes, and terrorism.

- These **legal deadlocks undermine trust and complicate broader security** and economic cooperation between the nations, including potential trade agreements.
- **Russia-Ukraine War and Strategic Autonomy:** India's neutral stance on the [Russia-Ukraine war](#) has often clashed with the UK's firm support for Ukraine.
  - While **India has expressed support for a peaceful resolution**, it has refrained from condemning Russia's actions or joining Western sanctions.
  - India's refusal to condemn Russia outright is at **odds with the UK's broader strategy**, leading to occasional friction despite their strategic cooperation in other areas, such as defence and Indo-Pacific security.
- **Environmental Standards and Carbon Border Adjustment:** The UK's growing commitment to climate action, including its [Carbon Border Adjustment Mechanism \(CBAM\)](#), **creates a potential source of friction with India**.
  - India is concerned that the CBAM, set to come into effect by 2027, will disproportionately affect its carbon-intensive industries, **such as steel and iron**.
    - This measure is seen as a form of environmental protectionism by India, as it would raise costs for its exporters.
  - The UK's proposal to impose taxes on carbon-intensive imports like iron and steel could hit India's exports significantly, particularly given that India is the **second-largest steel producer globally**.
- **Rise of Extremist Activities in UK:** The UK has struggled with handling Khalistani separatist activities within its borders, which often strains India-UK relations.
  - The presence of pro-Khalistani groups in the UK, including **protests outside the Indian High Commission**, has led to diplomatic tensions.
  - India sees such activities as an infringement on its sovereignty, which the UK has failed to curb effectively.
  - Despite the UK's assurances, these events continue to fuel negative perceptions in India regarding the UK's handling of extremism, affecting broader cooperation in security matters.
- **Trade Barriers and Tariff Disputes:** Despite the momentum towards the India-UK Free Trade Agreement (FTA), significant tariff disputes remain unresolved.
  - India's reluctance to reduce high tariffs on **British automobiles, scotch whiskies, and agricultural goods**, coupled with the UK's desire for greater access to India's services market, remains a key issue.
  - Both nations continue to struggle to reach consensus, as India seeks to protect its domestic industries while the UK pushes for unfettered market access.
    - In 2023, **India maintained tariffs as high as 150% on British whisky and up to 100% on automobiles**, while the UK sought a reduction to promote its exports.
      - Under the negotiations, **tariffs on Scotch whisky will be halved to 75% immediately** and gradually reduced to 40% over the next 10 years.
  - This tariff stand-off **complicates** the negotiation of the FTA, highlighting the difficulty in aligning domestic priorities with trade liberalisation goals.
- **Intellectual Property and Market Access:** India and the UK have also encountered challenges regarding [intellectual property \(IP\) rights](#) and access to each other's markets.
  - **The UK's push for stronger IP protections often conflicts with India's focus on access to affordable medicines** and its domestic innovation policies.
  - India's generics industry, which produces affordable medicines for much of the world, faces pressures under global IP standards.

## What Measures can India Adopt to Enhance Ties with the UK?

- **Streamline Visa and Migration Policies:** India should engage in focused negotiations to create a more **flexible and mutually beneficial visa regime**, prioritizing skilled professionals, students, and workers.
  - By establishing bilateral agreements to **ease mobility, especially for Indian tech, healthcare, and educational professionals**.
  - **C Raja Mohan** while emphasising upon **India's Internationalisation** states that "As the

world seeks out Indian talent, the diaspora, now said to be around thirty-six million, will continue to grow”.

- India can tap into this opportunity to boost people-to-people ties and address one of the key contentious issues in trade talks.
- A **well-defined migration policy, particularly for tech talent**, will solidify India's position as a crucial partner in the UK's post-Brexit economic strategy.
- **Prioritize Technological Collaboration:** India must enhance joint research initiatives with the UK in emerging fields such as **AI, quantum computing, and green technologies**.
  - Establishing bilateral innovation hubs focused on tech startups and research can facilitate greater knowledge exchange.
  - By **pushing for deeper collaboration on technological infrastructure**, India can position itself as a strategic partner for the UK in global tech leadership, reducing the technological divide and fostering sustained growth.
- **Leverage Soft Power through Cultural Diplomacy:** India should prioritize its cultural diplomacy by showcasing its rich cultural heritage and creative industries, including **films, arts, and traditional crafts, to foster stronger emotional ties with the UK**.
  - Building cultural exchange programs, especially in education, arts, and digital media, can help reduce lingering colonial narratives and enhance mutual respect.
  - This would also promote greater people-to-people connectivity, which is essential for a robust bilateral relationship.
- **Collaborate on Regional and Global Security:** India can push for a stronger partnership with the UK on security issues in the Indo-Pacific region.
  - By leading joint initiatives in **maritime security, counterterrorism, and cyber defense**, India can become an indispensable partner for the UK in promoting a rules-based international order.
  - Additionally, **closer cooperation in multilateral security frameworks like the Quad and AUKUS** can offer both countries leverage in dealing with regional and global security challenges.
- **Create Joint Research Platforms on Climate Action:** India can collaborate more extensively with the UK in addressing climate change through joint research initiatives focused on renewable energy, sustainable agriculture, and carbon capture technologies.
  - By establishing joint climate action platforms and innovation centers, **India can not only align with the UK's net-zero goals but also become a leader in implementing sustainable practices**, making it a central partner in the global green transition.
- **Enhance Trade and Investment Flows through Targeted Diplomacy:** India should actively negotiate to reduce tariff barriers, particularly in sectors like automobiles, alcohol, and textiles, **while exploring ways to enhance market access for British services, including financial services and legal expertise**.
  - By ensuring that the FTA includes provisions for a more dynamic exchange of goods and services, India can bolster its position as a key player in the UK's post-Brexit economic ambitions.
  - Moreover, **India can position itself as a hub for Global Capability Centres (GCCs)**, leveraging its skilled workforce to attract UK firms seeking cost-effective innovation and operational efficiency.

## What Role can GCCs Play in Strengthening India-UK Relations?

- **Catalysts for Economic and Trade Growth:** Global Capability Centers (GCCs) serve as key drivers of economic growth in both India and the UK by **facilitating cost-effective, high-quality business operations**.
  - GCCs help UK companies tap into India's highly skilled workforce while benefitting from its competitive cost structures.
  - By expanding GCCs in India, UK firms can enhance their global competitiveness, and conversely, Indian companies in the UK can deepen **bilateral economic engagement and strengthen trade ties**.
- **Enabling Technological and Knowledge Transfer:** GCCs play a crucial role in driving innovation and the transfer of technological expertise.
  - **For India, these centers act as a gateway to cutting-edge technologies**, particularly in sectors like IT, AI, and cybersecurity.

- UK companies that set up GCCs in India also facilitate knowledge transfer to their Indian counterparts, creating a dual benefit.
- **Strengthening Employment and Skill Development:** GCCs help create thousands of jobs in India and the UK, driving skill development and fostering a more skilled workforce.
  - By collaborating with Indian educational institutions, UK-based GCCs provide opportunities for Indian professionals to access world-class training and development programs.
- **Promoting Strategic Collaboration in Innovation and R&D:** GCCs not only focus on business operations but also play a central role in research and development (R&D) activities, especially in sectors like **pharmaceuticals, engineering, and healthcare**.
  - These centers serve as hubs for innovation, where Indian professionals work alongside UK experts on joint projects, advancing critical areas such as **drug development, clean energy technologies, and engineering solutions**.

## Conclusion:

**India-UK relations** stand at a pivotal juncture, offering immense potential for bilateral cooperation across **trade, business engagement, and strategic alignment**. Through diplomatic dialogue, collaboration in technology, and shared commitments to global peace and prosperity, both nations can strengthen their partnership and build a more harmonious, sustainable future together.

### **Drishti Mains Question:**

India-UK relations have evolved significantly over the years, transitioning from colonial legacies to a more strategic partnership. In this context, analyze the key areas of convergence and divergence between the two nations.

## UPSC Civil Services Examination Previous Year Question

### **Prelims:**

**Q1. We adopted parliamentary democracy based on the British model, but how does our model differ from that model? (2021)**

1. As regards legislation, the British Parliament is supreme or sovereign but in India, the power of the Parliament to legislate is limited.
2. In India, matters related to the constitutionality of Amendment of an Act of the Parliament are referred to the Constitution Bench by the Supreme Court.

**Select the correct answer using the code given below.**

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

**Ans: (c)**

**Q2. Consider the following countries: (2014)**

1. Denmark
2. Japan
3. Russian Federation

4. United Kingdom
5. United States of America

**Which of the above are the members of the 'Arctic Council'?**

- (a) 1, 2 and 3
- (b) 2, 3 and 4
- (c) 1, 4 and 5
- (d) 1, 3 and 5

**Ans: (d)**

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**Mains**

**Q1.** The judicial systems in India and the UK seem to be converging as well as diverging in recent times. Highlight the key points of convergence and divergence between the two nations in terms of their judicial practices. (2020)

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