SUMMARY

1. India's eighth Trade Policy Review is the first to take place during the *Amrit Kaal* - the 25-year period (2022-2047) in which the Government aims to achieve *Viksit Bharat* (Developed India). This long-term vision foresees India becoming a self-reliant, inclusive, innovation-driven, and sustainable developed economy by 2047, the centenary of its independence. India is a lower-middle-income economy, with per capita GDP of USD 2,671 in fiscal year (FY) 2024/2025.

2. To attain high-income economy status by 2047, India will need to sustain real GDP growth of approximately 8% annually. In the post-COVID-19 pandemic period, India was consistently the fastest-growing G20 economy—including in 2022–2023, when India chaired the G20 for the first time. GDP growth calculations, rebased on FY2022/2023 economic data, compute average annual real GDP growth rate at 7.3% between FY2022/2023 and FY2025/2026.

3. In its first quarter 2026 outlook, the International Monetary Fund (IMF) projected that India's economy would grow by 6.3% and contribute about 17% of global real GDP growth in 2026. This latter figure is primed to grow higher if the high average growth rates generated during the review period can be sustained. This was a period in which India's digital economy and digitally delivered services were the standout performers.

Economic and trade performance

4. Domestic demand was the main engine of economic growth, with private consumption, government consumption and capital formation driving the post-pandemic recovery, helping to crowd in private investment, support employment, and boost productivity. The Government's budget allocation for physical infrastructure rose by 2.6 times from its FY2020/2021 level and was projected to reach 3.2% of GDP in FY2025/2026. Over the decade to FY2022/2023, extreme poverty declined by 22 percentage points to 5.3% of India's 1.42-billion-strong population.

5. External demand contributed positively to growth in most years. India's trade-to-GDP ratio peaked at 50% in FY2022/2023 before dropping back to 45% in FY2024/2025, still above the pre-pandemic trend. India's trade performance reflected its strong revealed comparative advantage in services. Its services trade surplus reached 4.8% of GDP in FY2024/2025, partly offsetting a goods trade deficit of 7.3%. Strong remittance inflows also helped cover part of the deficit.

6. From the supply side, services remained the principal driver of overall economic expansion, accounting for 53.6% of GDP in the first half of FY2025/2026. This sector accounts for around 30% of employment and over 60% of urban employment. In services trade, telecom, computer and information services constituted the largest export category, while other business services accounted for the largest share of services imports. India scores in line with the G20 average on services trade restrictiveness and took steps to liberalize financial and professional services during the review period. Manufacturing's share of GDP remained broadly stable at 17–18% within India's rapidly expanding economy. Manufacturing is a policy priority and a key focus of the *Viksit Bharat* vision. The Government introduced a range of investment-promotion measures and targeted initiatives for the sector.

7. Changes in India's revealed comparative advantage index since 2021 suggest a rebalancing from traditional, low-value-added commodities towards more technology-intensive manufacturing. In merchandise trade, petroleum and petroleum products, along with minerals, metals and chemicals, accounted for the largest shares of both exports and imports. They were followed by electrical and electronic equipment, transport equipment, and mechanical, office and IT equipment. India's participation in global value chains (GVC), despite increasing after the COVID-19 pandemic, remains below the ASEAN average. At approximately 0.09 in the UNCTAD export index in 2024, India's export concentration index showed a comparable level of diversification to many developed economies.

8. Agriculture demonstrated resilience despite pandemic-related disruptions, rising input costs, and weather-related shocks. Since 2021, agricultural gross value added (GVA) has expanded at an average annual rate of 4.4%. India remains a net agricultural exporter, with exports led by cereals (notably rice) and processed foods. As the world's leading rice exporter, India derived 28% of its total agricultural exports from rice in FY2024/2025.

9. India's digital economy is estimated to be growing at twice the pace of the overall economy. The rapid uptake of India's digital public infrastructure, notably the JAM Trinity (*Jan dhan* programme bank accounts, *Aadhaar* biometric identification, and mobile connectivity), Unified Payments Interface (UPI), and India Stack solutions, was a defining feature of the period under review. Interoperability is an inherent characteristic of the India Stack - a set of open application programming interfaces and digital public goods. Participation in the India Stack by non-Indian firms is possible by offering services on the application ecosystem or through India stack government procurement tenders.

10. Monthly UPI transactions rose from 4 billion in 2021 to more than 18 billion by early 2025, and the UPI's international reach expanded through real-time payment arrangements with eight countries. Wireless telephone subscribers topped 1.26 billion by the end of December 2025, while India achieved near-universal 5G coverage and expanded its footprint in satellite communications.

11. Identified as a priority emerging area in the 2023 Foreign Trade Policy, India recorded a strong average annual growth of about 17.3% in digitally delivered services between 2021 and 2025 according to WTO estimates. India ran a digitally delivered services trade surplus of more than USD 200 billion in 2025. The launch of the India Artificial Intelligence (AI) mission in March 2024 further underscored the Government's focus on emerging digital technologies.

12. The Open Network for Digital Commerce (ONDC), launched in April 2022, is a digital public infrastructure initiative designed to invite wider participation in digital markets, through open-source methodologies and interoperable protocols. The Government is promoting ONDC as a replicable model for other emerging economies. In parallel, e-Commerce Export Hubs are being established to strengthen the participation of micro, small and medium-sized enterprises (MSMEs), artisans, and first-time exporters in cross-border digital trade.

13. Self-reliance, as articulated in the *Aatmanirbhar Bharat Abhiyan* (Self-Reliant India), is a prominent feature of the *Viksit Bharat* vision. Initially designed as a COVID-19 pandemic emergency response, it has evolved into a broader framework shaping the direction of India's economic policy. Under the self-reliance banner, India has introduced a wide range of initiatives, including measures specifically targeting manufacturing and seeking to boost India's participation and competitiveness in GVCs.

14. Export promotion is also emphasized in the *Viksit Bharat* vision, intended to help India sustain high long-term growth and boost competitiveness. Under this vision, India aims to increase its share of global merchandise exports from about 1.8% in 2024 to around 10% by 2047.

15. Accordingly, during the review period, the Government took steps to make the economy more outward-oriented, including through the launch in 2023 of a new open-ended (i.e. not limited to the usual five years) Foreign Trade Policy. The policy is articulated around several strategic pillars, including the remission of duties and taxes on exports, export promotion through collaboration, and ease of doing business.

16. To promote exports, India maintained various duty exemption, remission, and rebate schemes. Incentive to remission refers to the reimbursement of taxes/duties/levies incurred on exported products or services that are not refunded under any other mechanism at the central, state or local level. The interest equalization on export credit scheme was discontinued in 2024, and in November 2025, the Market Access Initiatives Scheme was integrated into the Export Promotion Mission.

17. India widened the geographical reach and depth of its regional trading agreements (RTAs). RTAs entered into force with Australia, the European Free Trade Area, Mauritius and the United Arab Emirates. It also signed other agreements with Oman and the United Kingdom. At the end of 2025, negotiations had been completed with New Zealand and were close to conclusion with the European Union. Negotiations were also ongoing on new and existing RTAs with a broad range of other partners, including the United States.

18. India has continued to liberalize its foreign direct investment (FDI) policy since 2021. Sectoral caps have been raised or removed and entry conditions eased for foreign investment in civil nuclear energy, defence, insurance, petroleum and natural gas, telecommunications and the space sector.

A National Single Window System for investors, designed to identify required central and state-level approvals, became operational in 2021. The authorities indicate that approximately 90% of FDI inflows enter through the automatic route. The alternate government approval route is required for specific sectors and for investment originating from an entity or citizens of a country that shares a land border with India.

19. Annual FDI inflows peaked at USD 85 billion in FY2021/2022. Computer software and hardware remains the leading sector for inward FDI, reaffirming India's attractiveness in digitally delivered services. However, net FDI inflows weakened during the review period, with India emerging as one of the world's top 10 outward investor economies in 2024.

Main trade and trade-related policy developments

20. India's perspective on WTO reform is that reforms must be development-centred, consensus-based, and Member-driven. It remains a strong proponent of policy space for development. India does not subscribe to the joint statement initiatives (JSIs) and conveyed its strong concerns about the JSIs on multiple occasions at WTO meetings during the review period. As at 31 December 2025, the domestic process to ratify the Fisheries Subsidies Agreement was underway. India is a Party to the Information Technology Agreement (ITA) but has not joined the expanded ITA. India attends the Trade and Environmental Sustainability Structured Discussions and is an observer to the Agreement on Government Procurement (GPA) and the Agreement on Trade in Civil Aircraft.

21. India provides most-favoured nation (MFN) treatment to all WTO Members except Pakistan. In 2025, India took measures prohibiting imports from Pakistan. At 31 December 2025, several notifications remained outstanding, including in the areas of domestic support measures and export subsidies in favour of agricultural producers, subsidy programmes, import licensing and quantitative restrictions. India is an active participant in WTO dispute settlement. Over the review period, India received two requests for dispute settlement consultations, notified mutually agreed solutions to seven disputes, and appealed one panel report. India did not request any dispute settlement consultations.

22. India pursued trade facilitation objectives through customs and border modernization, digitalization and regulatory reforms. Trade facilitation is identified as an Ease of Doing Business priority in the 2023 Foreign Trade Policy. A new National Trade Facilitation Action Plan 3.0 covering the 2024–2027 period was launched, with the aim of reducing clearance and release times through improved infrastructure, simplified regulatory compliance, and enhanced interagency collaboration.

23. Customs clearance is electronic. The Indian Customs Electronic Data Interchange System is operational at around 260 major customs stations and 300 special economic zones (SEZs), handling nearly 99% of India's trade. India also advanced the Customs Single Window Interface for Facilitating Trade (SWIFT) system that integrates real-time clearances from partner government agencies. Further digital developments include the Trade Connect Portal and the planned Bharat TradeNet, and the launch in 2025 of a unified All-India multipurpose electronic Bond.

24. India continued to implement its three-tier Authorized Economic Operator (AEO) programme and added eight AEO mutual recognition agreements (MRAs) during the review period, with further agreements under negotiation. India also expanded the number of authorized ports of entry for food, livestock, and plant imports. India continues to implement direct port delivery for imports and direct port entry for exports to reduce clearance time and costs. Registered AEOs benefit from these facilities. The Food Safety and Standards Authority (FSSA) of India is now present at 164 entry points. The number of plant quarantine stations grew to 73 by 2025. Digital SPS systems—including the Plant Quarantine Management System, the Food Import Clearance System, and Animal Quarantine and Certification Services—were integrated into the SWIFT.

25. The WTO Trade Cost Index indicates that both the additional costs faced by importers and the weighted average of bilateral trade costs declined between 2020 and 2022. This trend was reconfirmed in the time release studies that recorded improvements in average import release times. Between 2023 and 2025, average release times fell by approximately six hours at seaports, five hours at air cargo complexes, and 18 hours at integrated check posts. India has also sought to reduce trade costs through programmes such as the PM *Gati Shakti* National Master Plan, which

aims to improve domestic connectivity, and the National Logistics Policy. India rose six places to rank 38th in the World Bank's Logistics Performance Index in 2023.

26. The Government modified the basic customs duties (BCDs) structure in the 2025-2026 Budget by eliminating the highest rates (100%, 125% and 150%) and reducing the number of applied rates to eight on industrial goods through the removal of intermediate rates (25%, 30%, 35%, and 40%). Around 77% of BCD tariff lines are clustered around four rates: 7.5%, 10%, 20%, and 30%. Duty-free BCD lines represented 3.7% of total tariff lines in FY2025/2026, up from 2.7% in FY2020/2021. Additional levies, namely the Agriculture Infrastructure and Development Cess (AIDC), introduced in 2021, the Health Cess, and the Social Welfare Surcharge (SWS), also apply.

27. At the 8-digit level (national level), India's average applied MFN tariff rate was 15.7% in FY2025/2026, when composed of BCD and applicable additional import-related levies, namely AIDC, SWS, and the Health Cess measures. The average applied BCD tariff rate was 13.8% in FY2025/2026. For WTO agricultural products, applied MFN tariff rates were at 38.6% in FY2025/2026, while for WTO non-agricultural products, applied MFN tariff rates averaged 12.4%. At the 6-digit level and as calculated by the WTO for the purpose of cross-country comparisons, the overall average applied MFN tariff was 15.8% in 2025.

28. India maintains MFN tariff rate quotas (TRQs) for skimmed milk, certain creams, maize, and selected oils. It also applies TRQs under RTAs with Australia, Mauritius, Nepal, Sri Lanka, and the United Arab Emirates. Coverage varies by agreement, with some extending beyond agriculture to include chemicals, precious metals, and textiles.

29. India continues to grant tariff concessions and exemptions. Some concessions apply to imports exclusively for specified end-use purposes. India provides preferential import treatment to goods coming from RTA partners, although imports remain subject to levies/cesses, unless expressly exempted. India continues to grant duty-free, quota-free preferential market access on 98.2% of the tariff lines to LDCs under its Duty-Free Tariff Preference scheme.

30. Other important trade policy instruments include minimum import prices (MIPs), import and export restrictions and licensing, state trading, export taxes, and minimum export prices (MEPs). As at October 2025, 4.8% of all tariff lines were subject to import licensing. Some IT hardware imports, including laptops and tablets, became subject to automatic import licensing in 2023, while mandatory registration requirements were extended to components for renewable energy installations. Import licences are also used to administer import quotas. In addition, some imports (113 tariff lines) are subject to price-based import restrictions, whereby imports are prohibited or restricted if their cost, insurance and freight (CIF) prices fall below the applicable minimum import prices. India continues to use designated state trading enterprises (STEs) to import selected products, mainly agricultural and mineral products. Arrangements for imports through specific ports changed for select neighbouring countries and certain trade facilitation measures permitting transshipment lapsed.

31. India remains a significant user of trade remedies. Between 1 January 2021 and 30 June 2025, India notified a total of 226 anti-dumping investigations and maintained a total of 170 anti-dumping measures in force. Nine countervailing investigations were undertaken, and 12 countervailing measures imposed. India notified amendments to its countervailing measures legislation in 2021. India also notified three safeguard investigations and proposed suspensions of concessions.

32. India has progressively shifted from Export Processing Zones (EPZs) and Free Trade Zones (FTZs) to SEZs, i.e. moving towards more integrated zones to support wider economic activities and broader industrial development. In FY2024/2025, SEZs accounted for about 21% of India's total exports, including 14% of merchandise exports and 28% of services exports.

33. India continues to apply export taxes. The Customs Tariff Act lists 50 categories of goods subject to export taxes, while a cess is imposed on certain exports. According to the authorities, MEPs are maintained and used to ensure domestic supply, at reasonable prices, of selected goods considered important for domestic consumption.

34. India's support programmes affecting production and trade shifted from tax-based support to grant-based support. This shift is reflected in India's most recent subsidy notification to the WTO, which provides information on industrial-assistance programmes at both the central and state levels. All eight central-level programmes and 26 of the 29 state-level programmes were grant-based. The remaining programmes involved tax reimbursements or a combination of grants and fiscal support. Their objectives include promoting industrial development in remote areas, upgrading technology, improving infrastructure, strengthening MSME competitiveness, and supporting selected sectors, including shipbuilding, electronics and semiconductors, and food processing.

35. The Government's emergency response to the COVID-19 pandemic led to a rapid increase in budgetary support, notably through food and fertilizer payments, before falling back. The Government also operates a wide range of investment programmes, including Make in India, the Production Linked Incentive Scheme, and Start-up India. These and other initiatives emphasize manufacturing growth. In 2025, the Government launched a National Manufacturing Mission to provide a synchronized manufacturing push.

36. India's standards and technical regulatory framework expanded rapidly. The Bureau of Indian Standards (BIS) introduced the Standards National Action Plan (SNAP) 2022-2027 to strengthen India's quality ecosystem, focusing on sustainability, emerging technologies, and sector-specific standards. The SNAP is aligned with India's climate strategy and circular economy goals. Under the SNAP, India has increased its stock of national standards to 22,689 (up 18% from 2018), of which 9,616 have been harmonized with international standards. The number of accredited laboratories reached 9,772 by September 2025 – up from some 2,500 at the start of the review period. Some 177 of the 260 measures that India notified to the WTO in the period 1 January 2021 to October 2025 concerned Quality Control Orders.

37. In the sanitary and phytosanitary (SPS) domain, India advanced new plant and animal health measures, expanded use of e-phyto certificates, and was active in the WTO SPS Committee. India obtained World Organization of Animal Health recognition of its avian influenza-free compartments and advanced work on disease-free zones. Some import bans on select foodstuffs remained in force on sanitary grounds. India's National Plant Protection Organization began implementing ePhyto for both imports and exports in March 2023, using the Plant Quarantine Management System.

38. Competition policy was strengthened through amendments to the Competition Act in 2023. These amendments, *inter alia*, introduced additional prohibitions on anti-competitive agreements, expanded cartel liability, reinforced and clarified the prohibition on certain combinations, and broadened penalties for anti-competition behaviour to include an enterprise's global turnover.

39. Price controls remain in place across various sectors, including agriculture (through minimum support prices, market intervention prices, and minimum import prices), fertilizers, petroleum products, pharmaceuticals, electricity, and railways.

40. State owned enterprises (central public sector enterprises - CPSEs) increased in number during the review period, as did their total employment and net profits. CPSEs operate across all sectors of the economy. A policy approved by the Cabinet in 2021 categorizes CPSEs into strategic and non-strategic sectors. It seeks to retain only a minimum of CPSEs in strategic sectors, while CPSEs in non-strategic sectors are to be considered for privatization or closure. CPSEs must procure at least 25% of their annual purchases from micro and small enterprises (MSEs).

41. The digitalization of public procurement accelerated in the review period. Online procurement through the Central Public Procurement Portal totalled USD 37.1 billion in FY2024/2025. The Government e-Marketplace recorded USD 42 billion in procurements, making it the world's largest online government procurement platform in 2025. Mandatory procurement targets apply for sourcing from MSEs.

42. Since 2021, India has moved up eight places to rank 38th in the World Intellectual Property Organization (WIPO) Global Innovation Index rankings. Patent applications jumped to 105,157 in 2024 up from 61,573 at the start of the review period. Applications from Indian residents made up 60.1% of the applications in 2024. The Indian office ranks among WIPO's top five national offices in terms of the number of trademark applications received.

43. The National Intellectual Property Rights (IPR) Policy (2016) continued to guide India's IPR system, implemented by the Department for Promotion of Industry and Internal Trade (DPIIT) and related offices, complemented by awareness and facilitation initiatives such as the National Intellectual Property Awareness Mission and the Scheme for Facilitating Start-Ups Intellectual Property Protection. In November 2025, the DPIIT released a working paper on Generative AI and Copyright. As part of the Digital India strategy, the Government is stepping up efforts to address cybercrime, including IPR infringement.

44. India was active in the process that led to the adoption of a Ministerial Decision on the TRIPS Agreement in 2022. Outside the WTO, India's international engagement also included accession to the WIPO Strasbourg Agreement, signature of the Final Act of the WIPO Riyadh Design Law Treaty, and inclusion of IP chapters in recent RTAs. Domestic measures included: the *Jan Vishwas* Act, decriminalizing minor IP offences; the establishment of IP divisions in several High Courts; and amendments to the Patent Rules in 2024 aimed at streamlining procedures. These legislative measures were taken alongside digitalization, and staff increases across IP offices.

Sectoral issues

45. Agriculture contributes around 15% of GVA and 46% of the workforce. Food security, price stability, raising productivity and livelihoods for small and marginal farmers remain key objectives of agricultural policy. India regulates imports and exports, as well as domestic prices, in pursuit of its food security objectives. Border measures on imports include tariffs, TRQs, import quotas, MIPs, licensing, prohibitions, and state trading. Import duty adjustments and other measures were applied dynamically to stabilize domestic markets, particularly for cotton, edible oils, and pulses. To prevent or relieve critical shortages, the Government uses a range of export measures. As at 31 December 2025, wheat exports remained prohibited and sugar exports restricted. Export measures were also taken on broken rice, de-oiled rice bran, non-basmati white rice and onions, and were subsequently notified to the WTO.

46. The COVID-19 pandemic prompted large-scale social protection measures, most notably the distribution of additional foodgrains under the National Food Security Act (NFSA). The provision since 2023 of free access to essential foodgrains for over 800 million people is a measure unparalleled in scale among India's contemporary policy interventions. The scheme was renewed for five years from January 2024 and accounted for almost the entire food subsidy allocation in the FY2025/2026 budget and roughly half of budget support. Fertilizer subsidies added a further 33% to the FY2025/2026 direct budgetary support budget. India is the world's second-largest consumer and third-largest producer of fertilizers. Input subsidies to low-income or resource-poor farmers totalled USD 43.26 billion in 2023.

47. In FY2023/2024, agricultural support consisted of development programmes (47% of total agricultural support), Green Box measures (40%), and current Aggregate Measurement of Support (AMS) (13%). India notified USD 54.9 billion in non-Green Box support, with market price support for rice exceeding its *de minimis* limit. Minimum support prices were maintained for 22 mandated crops, with regular increases approved during the review period.

48. The Government also continued to set annual Fair and Remunerative Prices for sugarcane and advanced its 20% ethanol blending target to FY2025/2026. Income support continued through the *PM-KISAN* programme, which provides USD 70.9 per year to farmer families. Since its launch in 2019, the programme has reached 95.9 million beneficiaries and disbursed USD 43.6 billion in instalments.

49. India is the world's second largest fish-producing economy, representing around 8% of global production. Amendments to the Coastal Aquaculture Authority Act in 2023 and new rules in 2024 aimed to promote sustainable aquaculture while streamlining compliance with the import regulations of trading partners. In 2025, the Government issued new rules for sustainable harnessing of fisheries resources in the exclusive economic zone (EEZ) and guidelines for the operation of Indian-flagged fishing vessels in the high seas. The Government strengthened measures against illegal, unreported, and unregulated (IUU) fishing, including a national digital vessel registry and real-time monitoring. India did not ratify the Fisheries Subsidies Agreement during the review period. Various government initiatives seek to boost the value added by the fisheries sector, including the *PM Matsya Sampada*

Yojana and the *PM Matsya Kisan Samridhi Sah-Yojana schemes*, as well as the Fisheries and Aquaculture Infrastructure Development Fund.

50. While India is self-sufficient in several key minerals, overall it remains a net importer of minerals. Reforms in this sector included amendments to the Offshore Areas Mineral Act (2023) and the Mines and Minerals (Development and Regulation) Act (2025) that seek to attract investment in the mining sector by, *inter alia*, improving transparency in the allocation of mineral rights, and expanding the role of auctions. The Government took other measures to address lengthy auction processes and streamline mine clearance processes. A list of critical and strategic minerals was issued in 2025 that gives the Central Government authority to auction mining leases and composite licences for 24 minerals. Export duties on certain iron ores were increased in 2022 to curb rising steel prices and to augment domestic availability.

51. In the energy sector, rapid renewables deployment is advancing alongside continued dependence on coal and imported oil to sustain economic growth and energy security. Coal, crude oil and natural gas accounted for 97% of India's total primary energy supply in FY2023/2024. The Government advanced reforms to encourage greater private-sector participation and to attract FDI, including in nuclear power generation. The legislative framework governing energy generation and distribution was overhauled and modernized. India also launched a Carbon Credit Trading Scheme with compliance and offset components.

52. Coal production surpassed one billion tonnes in 2025 and is projected to grow further, reflecting India's mineral deposits and coal's enduring role in domestic baseload power generation. India remains dependent on imported crude oil, and has the world's fourth-largest oil-refining capacity. Petroleum product exports grew during the review period, albeit unevenly.

53. Since 2021, India has expanded renewable energy, with power-generation capacity rising by 24% and renewables accounting for about 83% of power-sector investment in FY2024/2025, driven primarily by solar energy and supported by initiatives in rooftop solar, offshore wind, hydropower, green hydrogen, and a long-term Nuclear Energy Mission. This acceleration toward cleaner energy sources coexists with a continued and significant reliance on fossil fuels.

54. In 2025, India launched a coordinated manufacturing drive through the National Manufacturing Mission to overcome structural bottlenecks. This comprises the Make in India initiative, the National Manufacturing Policy and the National Industrial Corridor Development Programme. Sector-specific schemes have also been introduced.

55. India has emerged as the world's second-largest mobile-phone producer and the fourth-largest automobile manufacturer. Looking further back, electronics production has expanded six-fold and exports eight-fold since FY2014/2015. India's pharmaceutical industry supplies 20% of the world's generic medicine and is the world's third largest by volume and 11th largest in value terms. Manufacturing of renewable energy components has expanded at an exceptionally fast pace.

56. The Production-Linked Incentive (PLI) Scheme aims to advance India's manufacturing through targeted, performance-based support. The PLI Scheme has been expanded to 14 sectors, including the manufacturing of automobiles and automotive components, textiles, specialty steel, and solar photovoltaic (PV) modules. Both domestic and foreign firms are eligible if they meet scale-of-production and minimum investment criteria. Several constraints continue to weigh on India's manufacturing growth, including high input costs partly linked to tariffs, high capital costs, inadequate industrial infrastructure, reliance on technology transfer, business operation hurdles, and access to land for infrastructure and industrial projects. Digitalization of land records and the wider use of digital platforms could help reduce investment bottlenecks.

57. The banking sector underwent rapid digitalization and financial innovation during the review period, accompanied by progress in financial inclusion. Non-performing assets declined from 11.5% in 2018 to 2.3% in 2025. Financial regulations were updated to strengthen and enhance governance standards, including in relation to digital lending. India continued to implement Priority Sector Lending requirements, with mandatory lending targets ranging from 40 to 75% for banks. India also made significant progress in financial inclusion under the National Strategy for Financial Inclusion, with the JAM Trinity ecosystem contributing to near-universal bank account ownership.

58. India's insurance regulator set a long-term vision of "Insurance for All by 2047", which envisages, *inter alia*, the use of digital infrastructure to increase insurance penetration. FDI limits in the insurance sector were raised twice during the review period: from 49 to 74% in 2021, and from 74 to 100% under the automatic route in 2025.

59. Telecommunication services expanded rapidly during the review period, reflected in rising telephone and Internet subscriptions, teledensity, and the rollout of 5G. In December 2025, telephone connections exceeded 1.3 billion, Over the review period, Internet subscriptions rose by 29% to over 1 billion, and 5G services covered 99.9% of all districts across all states and Union Territories (UTs), reaching 85% of the population. Mobile wireless connections accounted for 94.1% of all Internet connections at the end of 2025. The Telecommunications Act, 2023 introduced major reforms. Foreign companies may hold authorizations but must be incorporated in India. The Act strengthens government authority over spectrum allocation and management. It also brings satellite communications within the telecom authorization regime. Key implementing rules, including on the shift from licensing to authorization relating to spectrum management, are not in force. The telecom regulator also introduced new tariff frameworks to support public Wi-Fi expansion and broaden broadband access across India.

60. India advanced a multimodal transport strategy aimed at lowering trade costs, improving connectivity, and supporting both merchandise trade and tourism. The introduction of a multimodal cargo terminal policy in 2021 sought to modernize rail freight terminals, attract private investment, and strengthen integration across transport modes, with the objective of raising the railway share in freight transport to 45% and reducing logistics costs.

61. Maritime transport remains the backbone of India's merchandise trade, handling around 95% of total trade by volume in FY2024/2025. During the review period, cargo volumes rose at major ports by 27% to 854.9 million metric tonnes and at non-major ports by 19.4% growth to 721 million metric tonnes by the end of FY2024/2025. This underscores the central role of ports in facilitating cost-efficient bulk trade. Air transport, while marginal in freight volumes at about 3.72 million tonnes, is critical for high-value and time-sensitive goods and is the dominant mode for international tourism, accounting for 83.41% of arrivals, mainly through Delhi and Mumbai.

62. In FY2024/2025, India's airports handled 246 million passengers, and the expansion of airport infrastructure supported the arrival of 20.6 million international tourists, generating 2.02% of global tourism receipts. Together with the National Strategy for Sustainable Tourism (NSST-2022), which emphasizes sustainability, inclusiveness, and resilience, these multimodal investments aim to enhance competitiveness by improving logistics performance, reducing trade and travel costs, and strengthening India's role in global trade and tourism networks.

To conclude

63. India remains an active WTO Member and a major developing economy on a strong growth trajectory, underpinned by robust domestic demand, a rapidly expanding digital ecosystem, and an increasingly diversified economic structure. In the period under review, India balanced self-reliance with outward orientation, utilized domestic demand generated by public investment, notably infrastructure development, to achieve high growth while seeking to increase its presence in GVCs. The Government sought to expand employment, notably in manufacturing, by boosting women's participation rates and scaling up small firms.

64. Trade and investment policy developments included the expansion of RTAs, ongoing liberalization of FDI regimes, and efforts to improve trade facilitation through digitalization and customs modernization. Unparalleled progress was achieved in financial inclusion. At the same time, the policy framework included relatively high tariffs, the use of import and export controls, state trading, and extensive budgetary support programmes (most notably for the supply of food grains and fertilizer). Agriculture employs around 46% of India's workforce, with almost all workers in informal employment, and policy is aimed at both food security and expanding the country's presence in global agricultural markets. Industrial policy initiatives aim to strengthen domestic production, promote technological upgrading, and enhance participation in GVCs.

65. Looking ahead, in the short term, real GDP growth is forecast to range between 6.8 and 7.2% in FY2027/2028, continuing the trend of strong growth posted during the review period - one in

which India was the fastest-growing G20 economy. Looking further ahead, sustaining the strong economic performance needed to reach the *Viksit Bharat* vision of a developed India by 2047 will require addressing structural challenges, including high trade costs, regulatory complexity, infrastructure gaps, and barriers to deeper global integration. Building on the administrative and procedural reforms, including the *Jan Vishwas* (Amendment of Provisions) Acts, to promote ease of doing business, reforms to improve the business environment, enhance productivity, and reduce reliance on trade-restrictive measures could support more efficient resource allocation and competitiveness. Such measures could also help attract foreign investment. As India seeks to expand its role in global trade, diversify exports and meet its long-term development objectives, the balance between self-reliance and openness, as well as its engagement in the multilateral trading system and its reform, will remain key determinants of its future growth and resilience.