

India's Free Trade Agreements

Market Access vs. Policy Sovereignty | India-UK CETA | India-EU FTA

GS Paper II & III | International Relations | Economic Governance

UPSC CSE | APSC CCE • Comprehensive Study Module

01. Key Terms and Explanations

Understanding the language of trade diplomacy is the first step toward a rigorous analysis of any trade agreement. The terms below form the conceptual backbone of this discussion.

Free Trade Agreement (FTA)

A bilateral or plurilateral agreement between countries to liberalise trade in goods and services by reducing or eliminating tariffs, quotas, and other non-tariff barriers. Modern FTAs, however, go well beyond trade in goods to include services, investment, intellectual property, digital trade, and sustainable development chapters. India's recent agreements with the UAE (2022), Australia (2022), UK (2024), and EU (2025) belong to this category.

Comprehensive Economic Partnership Agreement (CEPA)

A broader version of an FTA that covers not just goods and services but also investment, economic cooperation, and technical barriers to trade. India-UAE CEPA and India-Australia ECTA are examples. The term 'Comprehensive Economic Trade Agreement' (CETA) as used in the India-UK context reflects a similar depth.

Regional Trade Agreement (RTA)

An umbrella term used by the WTO to describe any preferential trade arrangement between two or more WTO members. RTAs include FTAs, CEPAs, customs unions, and common markets. The WTO reported 69 RTAs implemented globally between 2020 and 2025, indicating an acceleration of regionalism as multilateralism stagnates.

Government Procurement

The process by which public authorities purchase goods, services, and infrastructure from private entities. Government procurement norms in trade agreements can open up domestic public tenders to foreign firms, creating competitive pressure on domestic suppliers and potentially undermining policies like preferential market access for MSMEs and start-ups.

Compulsory Licensing (CL)

A provision under TRIPS Article 31 that allows a government to authorise production of a patented drug by a domestic manufacturer without the patent holder's consent, especially during a public health emergency. India has invoked CL in the Natco vs Bayer case (2012) for Sorafenib Tosylate, a cancer drug. Voluntary Licensing (VL) is a market-based alternative where patent holders voluntarily license their technology to third parties, but it gives pharmaceutical corporations greater control over pricing and access.

Patent Working Disclosure

A legal requirement under which patent holders must disclose how and where a patent is being 'worked' (i.e., manufactured or commercialised). This information is critical for domestic generic drug producers to understand market opportunities and prepare for generic production after a patent expires. Eliminating this requirement tilts the competitive field in favour of multinational pharmaceutical companies.

Trade and Sustainable Development (TSD) Chapter

A chapter in modern EU-style FTAs that ties market access commitments to compliance with international labour standards (ILO core conventions) and environmental norms. While framed as progressive, critics argue that TSD provisions can serve as disguised protectionism, imposing regulatory standards that developing nations cannot easily comply with.

Carbon Border Adjustment Mechanism (CBAM)

An EU trade measure that imposes a carbon price on imports from countries with lower or no carbon pricing regimes. Sectors like steel, aluminium, cement, fertilisers, and electricity are directly covered. For India, CBAM threatens to impose an implicit tariff on its exports to the EU, particularly in energy-intensive sectors.

Corporate Sustainability Due Diligence Directive (CSDDD)

An EU directive requiring large companies to identify and address human rights and environmental risks in their supply chains. For Indian exporters integrated into EU global value chains (GVCs), compliance with CSDDD obligations could involve significant compliance costs and documentation burdens.

Digital Trade Chapter

A section in contemporary FTAs that governs cross-border data flows, source code protection, algorithmic transparency, and e-commerce disciplines. Provisions written in 'best endeavour' language are non-binding aspirations, but hard commitments create enforceable obligations that may constrain domestic digital regulation and data governance frameworks.

Global Value Chains (GVCs)

International production networks where different stages of a product's manufacture are spread across multiple countries. Participation in GVCs offers scale, technology transfer, and export diversification but also entails regulatory interdependence and sensitivity to partner country standards.

Atmanirbhar Bharat / Make in India

Two complementary Indian policy frameworks aimed at promoting domestic manufacturing, reducing import dependence, and building self-reliant supply chains. These initiatives use public procurement

preferences, production-linked incentives (PLIs), and MSME support schemes—mechanisms that may be constrained by FTA government procurement chapters.

Policy Sovereignty / Regulatory Autonomy

The right of a sovereign state to design and implement domestic policies without undue external constraints. In trade discourse, policy sovereignty refers particularly to the space available to governments to use trade policy tools—tariffs, subsidies, procurement preferences, IP rules—to pursue developmental goals. FTA commitments can structurally narrow this space.

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02. Main Arguments and Substantive Parts

India's new generation FTAs present a study in contrasts: dazzling possibilities in terms of market access and GVC integration, set against quiet but profound surrenders of policy space. The central argument is not that FTAs are inherently harmful, but that their design matters as much as their existence.

A. The Core Thesis

- ▶ **Shift from Defensive to Calibrated Trade Strategy:** Post-pandemic India has moved away from its historical reluctance toward FTAs—a posture shaped by bitter memories of ASEAN FTA import surges—toward a more deliberate engagement with bilateral trade agreements. This pivot reflects recognition that export-led growth, supply chain diversification, and strategic partnerships require treaty-backed market access.
- ▶ **The Optimistic Narrative:** India's trade agreements with the UK and EU are widely celebrated for their potential to boost labour-intensive exports—textiles, leather, pharmaceuticals, gems and jewellery—and for deeper GVC integration. They are also seen as anchors for regulatory convergence and long-term economic dynamism.
- ▶ **The Critical Counter-Narrative:** These agreements embed commitments that structurally constrain India's domestic policy space in government procurement, intellectual property, digital governance, and trade-related environmental standards. The trade-off between market access and policy sovereignty is often glossed over in public discourse.

B. Government Procurement: The MSME Dilemma

- ▶ The India-UK CETA's government procurement chapter mandates 'no less favourable treatment' for goods, services, and suppliers from both countries. This effectively opens Indian public tenders to UK firms.
- ▶ The provision enabling UK firms to qualify as Class II local suppliers with only 20% domestic content is particularly troubling. It dilutes the indigenisation threshold that was designed to protect Indian suppliers.
- ▶ MSMEs, which form the backbone of India's manufacturing economy and are priority beneficiaries under Atmanirbhar Bharat and Make in India, could find themselves crowded out of government tenders by financially stronger and technologically superior UK competitors.
- ▶ India's Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012, mandates 25% procurement from MSEs, with sub-quotas for SC/ST-owned enterprises. FTA commitments may complicate the application of such preferential policies.

C. Intellectual Property and Access to Medicines

- ▶ The IPR chapter of the India-UK CETA subtly but significantly undermines India's compulsory licensing (CL) framework by prioritising voluntary licensing mechanisms. While CL is not explicitly prohibited, the normative framing of the agreement pushes India toward a market-led approach that serves the interests of global pharmaceutical corporations.
- ▶ The elimination of the patent working disclosure requirement is a direct blow to Indian generic drug manufacturers, who rely on this data as a critical intelligence tool to plan their market entry strategies and manufacturing timelines.
- ▶ India is the world's largest producer of generic medicines, supplying over 50% of global vaccine demand and significant volumes of affordable medicines to developing countries. Any constraint on its generic pharmaceutical sector has profound implications not only for India's domestic health security but also for global public health, particularly in Africa and Southeast Asia.

D. Labour, Environment, and Green Trade Barriers (India-EU FTA)

- ▶ The Trade and Sustainable Development (TSD) chapter integrates non-trade concerns—labour rights and environmental standards—into the binding framework of the EU FTA. While presented as progressive, these provisions create scope for disguised protectionism against Indian exports.
- ▶ EU green trade measures—CBAM, CSDDD, and the EU Deforestation Regulation—impose additional compliance burdens on Indian exporters in sectors like steel, textiles, leather, and agricultural products. These regulatory costs could neutralise the tariff gains achieved through the FTA negotiations.
- ▶ India's labour market is characterised by a large informal sector, lower average wages, and different regulatory environments. EU norms, if applied as a trade conditionality, would impose external standards on India's labour governance—a potential infringement on domestic regulatory autonomy.

E. Digital Trade and Algorithmic Sovereignty

- ▶ The India-EU FTA prevents Indian regulators from demanding access to source code of EU firms' software and AI systems. This is a significant constraint at a time when algorithmic accountability and AI governance are pressing regulatory priorities globally.
- ▶ Restrictions on auditing algorithms, even during regulatory investigations, undermine India's ability to ensure that AI and digital systems operating within its territory comply with domestic laws on privacy, competition, and consumer protection.
- ▶ The 'best endeavour' language in digital trade chapters provides temporary relief, but there is real risk that ongoing negotiations—especially with the US—will harden these provisions into enforceable commitments, foreclosing India's digital policy space.

Central Argument in a Nutshell

The fundamental tension at the heart of India's FTA strategy is between the short-term gains of market access and the long-term imperatives of developmental sovereignty. Trade agreements are not merely commercial documents—they are constitutional-grade texts that redistribute regulatory power between states and shape the conditions for national development over decades. India must negotiate from a position of strategic clarity, not economic desperation.

03. Historical Evolution of the Issue

India's trade policy has evolved through several distinct phases, each reflecting the political economy of its time, the global trading environment, and shifting development priorities.

- ▶ **Pre-Independence (Before 1947):** India's colonial economy was designed as a captive market for British manufactured goods and a supplier of raw materials. The discriminatory tariff structure, controlled by the British imperial government, denied India any meaningful trade policy autonomy. This historical experience of unfair trade embedded a deep suspicion of foreign economic engagement in India's post-independence policymaking tradition.
- ▶ **Import Substitution Era (1947–1991):** Post-independence India adopted an inward-looking development strategy characterised by high tariff walls, import licensing, and public sector dominance. The Industrial Policy Resolution of 1956 and successive five-year plans prioritised domestic manufacturing over export competitiveness. Foreign trade policy was essentially defensive. India was a founding member of the GATT (1948) but participated guardedly, consistently defending developing country flexibilities.
- ▶ **1991 Economic Liberalisation:** The balance-of-payments crisis of 1991 forced India to abandon the import-substitution model and open its economy. Tariffs were progressively reduced, quantitative restrictions on imports were phased out, and the current account became convertible. India became an active participant in the Uruguay Round of GATT negotiations, which concluded in 1994 and established the WTO in 1995.
- ▶ **WTO and the TRIPS Challenge (1995–2005):** India's accession to the WTO required it to amend its Patent Act (1970) to comply with the Agreement on Trade-Related Intellectual Property Rights (TRIPS). The Patents (Amendment) Act 2005 introduced product patents for pharmaceuticals but also inserted Section 3(d)—a uniquely Indian provision preventing 'evergreening' of patents by multinational corporations. This was a landmark assertion of policy sovereignty within the WTO framework.
- ▶ **Early FTA Experience and Concerns (2000–2015):** India entered into FTAs with ASEAN (2010), South Korea (2009), and Japan (2011). The ASEAN FTA, in particular, led to a significant surge in cheap imports—particularly from China routed through ASEAN—and caused distress to domestic industries. This experience made Indian policymakers cautious about FTAs with large, advanced economies. India walked away from RCEP negotiations in 2019, citing concerns about the agreement's impact on Indian agriculture and manufacturing.
- ▶ **Post-Pandemic Recalibration (2020–2024):** The COVID-19 pandemic exposed vulnerabilities in global supply chains, accelerating supply chain diversification and friend-shoring strategies. India saw an opportunity to position itself as an alternative manufacturing hub. A new FTA strategy emerged—focusing on agreements with key markets (UAE, Australia, UK, EU) that could provide market access for Indian goods while building strategic economic partnerships. The WTO reported 69 RTAs implemented globally between 2020 and 2025, signalling a broader shift toward regionalism.
- ▶ **India-UAE CEPA (2022):** India's first comprehensive economic partnership agreement in the post-pandemic era, concluded within a record 88 days. Opened significant market access for Indian goods—especially gems, jewellery, and pharmaceuticals—and provided a template for subsequent FTA negotiations.

- ▶ **India-Australia ECTA (2022):** The Economic Cooperation and Trade Agreement with Australia opened Australian markets to Indian services, textiles, and pharmaceuticals, while Australian coal, wine, and agricultural products gained improved access to India.
- ▶ **India-UK CETA (Finalised 2024):** Years of negotiations concluded with a comprehensive agreement covering goods, services, investment, and government procurement. The agreement includes contentious provisions on IP, government procurement, and digital trade that raise concerns about India's policy sovereignty.
- ▶ **India-EU FTA (Formalised 2025):** After a decade of stalled negotiations (2007–2013 round) and eventual resumption (2021), India and the EU concluded their FTA. The agreement includes a Trade and Sustainable Development chapter with labour and environmental standards, a government procurement chapter, and digital trade provisions—each carrying significant implications for India's regulatory autonomy.
- ▶ **India-US Trade Framework (Ongoing, 2025–26):** India and the US issued a joint statement signalling intentions toward a bilateral trade deal. This is potentially the most consequential FTA India will negotiate, given US pressure on digital trade, IPR, agriculture, and financial services. The outcome of US negotiations will significantly determine India's future trade policy trajectory.

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04. Logical and Philosophical Base

Behind every trade agreement lies a set of philosophical assumptions about the nature of markets, the role of the state, and the relationship between economic integration and human development. Understanding these foundations helps us critically evaluate the trade-offs embedded in India's FTA strategy.

A. Economic Liberalism and Comparative Advantage

- ▶ The intellectual foundation of free trade agreements rests on David Ricardo's theory of comparative advantage—the idea that nations benefit by specialising in the production of goods they produce most efficiently and trading with others. Modern FTAs extend this logic to services, investment, and regulatory frameworks.
- ▶ However, comparative advantage theory assumes perfect competition, full employment, and absence of externalities—conditions that rarely hold in the real world, particularly in developing economies with structural unemployment, informational asymmetries, and weak social safety nets.

B. The Developmental State and Infant Industry Logic

- ▶ Ha-Joon Chang's work on 'kicking away the ladder' argues that today's developed countries—including the UK, US, and Germany—used precisely the protectionist policies (tariffs, subsidies, procurement preferences, weak IP enforcement) during their industrialisation phases that they now prohibit through trade agreements. FTAs can thus be seen as cementing current technological hierarchies and blocking late-developing nations from replicating successful development strategies.
- ▶ India's concerns about government procurement, IP, and digital trade reflect this infant industry logic—the need to protect nascent domestic capabilities from premature foreign competition while building competitive strength.

C. John Rawls and Distributive Justice

- ▶ Rawlsian principles of justice require that social and economic inequalities be arranged to benefit the least advantaged members of society. Applied to international trade, this would require that trade agreements be designed to ensure that the gains from liberalisation are shared equitably—not just within countries but between trading partners at different levels of development.
- ▶ The asymmetry in bargaining power between India and the EU/UK—in terms of financial strength, institutional capacity, and regulatory sophistication—means that the commitments extracted in these agreements may systematically disadvantage Indian stakeholders, particularly MSMEs and informal sector workers.

D. Amartya Sen and the Capability Approach

- ▶ Sen's capability approach focuses not on income or GDP growth per se but on the substantive freedoms that people have to lead valuable lives. Access to affordable medicines, decent work, and digital services are capabilities that trade agreements can either protect or erode.
- ▶ The dilution of compulsory licensing provisions, the elimination of patent working disclosure requirements, and the imposition of digital trade disciplines that constrain data localisation all have direct implications for the capabilities of Indian citizens—particularly the poorest, who rely on generic medicines and affordable digital services.

E. Kautilyan Statecraft: Strategic Pragmatism

- ▶ The Arthashastra tradition of statecraft, associated with Kautilya, emphasises the primacy of state interest (rastra) in external engagements. Trade agreements, from this perspective, are instruments of power—tools to be used strategically, not ideologically. India should assess each FTA not merely in terms of aggregate economic gain but in terms of its impact on strategic industries, technological capabilities, and geopolitical leverage.
- ▶ The Kautilyan lens would counsel India to maintain maximum flexibility in trade negotiations, avoid permanent commitments in areas of strategic sensitivity, and use trade agreements as part of a broader geo-economic strategy rather than as an end in themselves.

F. The Foucauldian Power-Knowledge Nexus

- ▶ Michel Foucault's insight that knowledge and power are mutually constitutive is directly relevant to digital trade provisions. When the India-EU FTA prevents Indian regulators from accessing source code and auditing algorithms, it structures a power asymmetry in which EU technology firms retain epistemic control over systems operating in Indian territory. This is not merely a regulatory constraint—it is a form of technological sovereignty surrender.
- ▶ International trade agreements increasingly embed 'regulatory capture' mechanisms—provisions written by and for dominant economic actors—that constrain the policy space of weaker states under the guise of neutral rule-setting.

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05. New Features and Unique Ideas

India's new-generation FTAs contain several novel elements—both in terms of what India has secured and what has been conceded. These features distinguish modern trade agreements from earlier, goods-centric FTAs and present new analytical challenges for policymakers and students alike.

A. Shift from Goods-Centric to Comprehensive FTAs

- ▶ **Beyond Tariffs:** India's recent FTAs extend well beyond tariff schedules to encompass services trade, investment protection, government procurement, intellectual property, digital trade, labour standards, and environmental governance. This represents a qualitative transformation in the scope and depth of India's trade treaty commitments.
- ▶ **Services Mobility:** The India-UK CETA includes significant provisions on Mode 4 services trade (movement of natural persons), which is of particular interest for India's IT/ITeS sector and skilled professionals. Securing more flexible visa norms for Indian professionals has been a longstanding negotiating priority.

B. Section 3(d) and the IP Innovation

- ▶ **India's Evergreening Shield:** India's unique Section 3(d) provision in the Patents Act—which prevents pharmaceutical companies from securing new patents for minor modifications of existing molecules—has been a model for developing countries seeking to protect public health interests within the TRIPS framework. The challenge is to preserve this provision even as new FTA IPR chapters introduce soft pressures toward stronger IP protection.

C. Algorithmic Accountability as a New Trade Frontier

- ▶ **Digital Governance Through Trade:** The inclusion of AI governance provisions in the India-EU FTA—specifically restrictions on source code access and algorithmic auditing—is a genuinely new frontier in international trade law. As AI systems become central to economic activity, the question of who controls, audits, and regulates these systems is both a regulatory and sovereignty question. India is among the first developing countries to have such provisions imposed on it through a bilateral trade agreement.

D. Propositions Worth Exploring Further

- ▶ **Graduated Liberalisation:** India could push for phase-in schedules tied to development indicators rather than fixed timelines—liberalising government procurement, for instance, only after domestic manufacturing capacity in specific sectors reaches agreed thresholds.
- ▶ **Development Exception Clause:** Modelled on WTO Special and Differential Treatment (S&DT) provisions, India could negotiate explicit 'development exception' carve-outs that protect its right to use industrial policy tools—subsidies, procurement preferences, localisation requirements—for a defined transition period.
- ▶ **Mutual Recognition Agreements (MRAs) over Harmonisation:** Instead of accepting EU or UK regulatory standards wholesale, India should push for MRAs in pharmaceuticals, technical products, and professional services—an approach that acknowledges the validity of Indian regulatory frameworks without requiring their replacement.
- ▶ **Technology Transfer Quid Pro Quo:** Any trade agreement with advanced economies should include explicit commitments on technology transfer, joint R&D, and capacity building—conditions that would ensure that market opening serves India's long-term developmental interests rather than only those of foreign corporations.

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06. Sustainability of the Idea

Assessing the long-term viability of India's FTA strategy requires examining it through multiple sustainability lenses—economic, constitutional, legal, ethical, societal, and ecological.

- ▶ **Economic Sustainability:** Export-led growth through FTAs can be economically sustainable only if it generates quality jobs, supports domestic value addition, and does not result in a structural trade deficit. India's experience with the ASEAN FTA—where imports surged faster than exports—is a cautionary tale. The India-UK and India-EU agreements need to be evaluated continuously for trade balance trends, particularly in sensitive sectors like dairy, agriculture, and automobiles. Long-run sustainability also depends on whether FTA-driven growth creates technological upgrading and productive diversification rather than lock-in to low-value segments of GVCs.
- ▶ **Constitutional Sustainability:** Several FTA provisions—particularly those affecting government procurement preferences for MSMEs and SC/ST-owned enterprises—may need to be examined against India's constitutional commitments to affirmative action, social justice, and economic equality under Articles 14, 15, 16, and 38. The state's obligation to protect the public health and economic interests of its citizens (Article 21, 47) cannot be permanently subordinated to treaty commitments.
- ▶ **Legal Sustainability:** The WTO Dispute Settlement Mechanism (DSM) currently faces a systemic crisis with the non-functional Appellate Body. FTA dispute resolution mechanisms—typically investor-state arbitration panels or bilateral panels—may be even more opaque and inaccessible for India. Commitments made without robust legal review could expose India to costly trade disputes in the future.
- ▶ **Ethical Sustainability:** The dilution of compulsory licensing frameworks raises a profound ethical question: does a state's right to participate in global trade require it to sacrifice its citizens' access to affordable medicines? The answer, from any defensible ethical framework, must be no. Trade agreements that structurally disadvantage the poorest citizens in the name of aggregate economic benefit fail the basic test of distributive justice.
- ▶ **Societal Sustainability:** Government procurement preferences for MSMEs are not merely economic policies—they are instruments of social policy that support employment, entrepreneurship, and social mobility among economically marginalised communities. Erosion of these preferences has cascading social consequences that aggregate GDP figures cannot capture.
- ▶ **Environmental Sustainability:** The imposition of EU environmental standards through TSD chapters and green trade measures like CBAM and CSDDD is a double-edged sword. On one hand, it can accelerate India's green transition by creating incentives for cleaner production. On the other hand, it imposes compliance costs that may disadvantage Indian exporters relative to competitors from countries not subject to similar obligations. India must negotiate asymmetric timelines for environmental standards compliance that reflect the principle of common but differentiated responsibilities.

07. Challenges Related to the Issue

A. Negotiation Asymmetries

- ▶ India negotiates FTAs with economies that have far greater institutional capacity, larger legal teams, and more sophisticated trade intelligence systems. The EU's Directorate-General for Trade alone employs hundreds of specialised trade negotiators and lawyers. India's Ministry of Commerce and Industry is structurally under-resourced for the scale of negotiation it is undertaking.
- ▶ India's negotiating leverage is structurally lower in agreements with the EU and UK—its export interest in market access often outweighs its ability to walk away from the table, leading to asymmetric concessions.

B. Implementation Challenges

- ▶ FTA utilisation rates in India have historically been low—many Indian exporters are unable to claim preferential tariff benefits due to complex rules of origin (RoO) requirements, certificate of origin (CoO) procedures, and awareness gaps. The ASEAN FTA utilisation rate, for instance, hovered around 25% for Indian exporters for years.
- ▶ Government procurement commitments require robust domestic regulatory frameworks to prevent non-compliant foreign participation. India lacks a comprehensive public procurement law at the central level, making enforcement of reciprocal commitments difficult.

C. Stakeholder Resistance

- ▶ Domestic pharmaceutical companies, farmer organisations, and MSME associations have consistently opposed FTA provisions that threaten their competitive position. The political economy of trade policy in India involves navigating powerful domestic constituencies whose concerns cannot be dismissed as mere protectionism.
- ▶ Civil society organisations have raised concerns about transparency in FTA negotiations—text negotiations are typically conducted in secrecy, without parliamentary scrutiny or public consultation, limiting democratic oversight of commitments that have long-term national consequences.

D. Geopolitical Risks

- ▶ India's FTA strategy is partly shaped by the China factor—the desire to build alternative supply chain partnerships and reduce dependence on Chinese imports. However, FTAs with the US, EU, and UK come with their own geopolitical conditionalities and strategic expectations that may not always align with India's traditional strategic autonomy doctrine.
- ▶ The fragmentation of the global trading system into geopolitical blocs—the US-EU bloc on one hand and the China-Russia axis on the other—puts India in a difficult position as it seeks to maintain strategic autonomy while integrating into Western-led trade networks.

E. Precedent-Setting Risk

- ▶ Commitments made in the India-UK and India-EU FTAs create templates and precedents for subsequent negotiations—particularly with the US, which is likely to demand equivalent or stronger concessions in all contentious areas: IP, digital trade, agricultural market access, and financial services. Each concession made today potentially constrains negotiating positions in tomorrow's agreements.

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08. Multidimensional Analysis

Social Dimension

- ▶ FTAs that constrain government procurement preferences directly affect India's MSME sector, which employs over 110 million people. The social fallout of MSME displacement from government contracts would be disproportionately felt by artisan communities, women entrepreneurs, and Dalit/tribal business owners who have specifically benefited from SC/ST sub-quotas in public procurement.
- ▶ Access to affordable generic medicines—potentially threatened by weakened compulsory licensing provisions—is a social equity issue of the highest order. India's National Essential Medicines List covers over 400 drugs, many of which are generic formulations from domestic manufacturers. Any pricing pressure from strengthened IP regimes would hit the poorest and most medically vulnerable first.
- ▶ The digital trade chapter's restrictions on algorithmic auditing have social implications as AI systems are increasingly used in credit assessment, employment screening, social security delivery, and law enforcement. Without regulatory access to these systems, Indian authorities cannot protect citizens from algorithmic bias or discrimination.

Political Dimension

- ▶ India's FTA strategy reflects the political economy of the ruling coalition's industrial and commercial constituencies. The pull of export-oriented sectors—IT, pharmaceuticals, textiles—that benefit from FTAs competes with the push from domestic manufacturing lobbies, farm organisations, and labour unions that fear import competition.
- ▶ The absence of parliamentary scrutiny of trade agreement texts is a democratic deficit. Unlike many jurisdictions where trade agreements require legislative ratification (e.g., the US Congress must approve US trade deals), India's Parliament has no formal role in approving trade treaties—executive prerogative governs trade negotiations, which reduces democratic accountability.
- ▶ FTAs with Western partners carry geopolitical signalling value—they signal India's alignment with the democratic, rules-based order—but they also invite criticism from domestic political actors who question whether these agreements serve Indian interests or merely reflect geo-economic dependence.

Legal Dimension

- ▶ India's TRIPS-compatible patent law (particularly Section 3(d)) represents a hard-won legal achievement that has been defended successfully in international disputes (Novartis v. Union of India, 2013). FTA commitments that create normative pressure toward 'TRIPS-Plus' standards threaten to undermine this legal architecture.
- ▶ The integration of labour and environmental standards into trade agreements creates a new legal interface between trade law and human rights law, environmental law, and labour law. For India, this means that domestic regulatory decisions in these domains become potentially subject to international trade dispute mechanisms—an unprecedented expansion of trade law's reach.
- ▶ Investor-State Dispute Settlement (ISDS) mechanisms, if included in India's FTAs, would allow foreign corporations to challenge Indian government regulatory decisions before international arbitration panels—a powerful constraint on regulatory sovereignty that India has historically resisted.

Ethical Dimension

- ▶ The ethical core of the FTA debate is the question of who bears the costs and who captures the benefits of trade liberalisation. If pharmaceutical corporations gain stronger IP protections while Indian patients lose affordable medicine access, the ethical calculus is deeply problematic.
- ▶ Trade agreements negotiated in secrecy—without public consultation, parliamentary debate, or civil society input—fail basic standards of deliberative democratic legitimacy. The process of FTA negotiation must be as transparent as the outcomes are beneficial.
- ▶ The imposition of EU environmental and labour standards through trade agreements raises questions of economic neo-colonialism—using market access as leverage to impose external regulatory norms on sovereign states, regardless of their developmental context.

International Dimension

- ▶ India's FTA proliferation reflects the broader decline of WTO multilateralism. The Doha Development Round—which promised to rebalance the multilateral trading system in favour of developing countries—has been effectively defunct since 2008. Bilateral and regional deals have filled the vacuum, but they tend to reflect bilateral power asymmetries rather than multilateral development principles.
- ▶ India's trade agreement with the EU and UK creates a strategic counterweight to China's dominance in Asian supply chains. As the US, EU, and their partners pursue 'friend-shoring' and 'near-shoring' strategies, India is positioned as a preferred alternative manufacturing and sourcing destination.
- ▶ India's pharmaceutical exports—particularly of generic medicines—to Africa, Southeast Asia, and Latin America could be indirectly affected if FTA IP commitments create precedents that constrain India's ability to produce and export generic medicines under compulsory licences to third countries.
- ▶ The global shift toward 'Brussels Effect'—where EU regulatory standards become de facto global standards because the size of the EU market creates incentives for global compliance—means that the EU FTA is not just bilateral but potentially shapes India's regulatory trajectory globally.

Economic Dimension

- ▶ The potential gains from India's FTAs are real but unevenly distributed. Labour-intensive export sectors (textiles, leather, gems) stand to benefit significantly from tariff reductions in EU and UK markets. However, import-sensitive sectors (dairy, agriculture, automobiles, electronics) face competitive pressure from liberalised imports.
- ▶ GVC integration through FTAs can accelerate technology transfer and productivity growth, but only if India successfully moves up the value chain from low-skill assembly to higher-value design and engineering. This requires complementary investments in education, infrastructure, and R&D that cannot be guaranteed by trade agreements alone.
- ▶ The fiscal implications of FTAs—particularly tariff revenue losses from import liberalisation—must be carefully managed. India's GST revenue base is still maturing, and tariff revenue remains a significant component of central government receipts.
- ▶ The macroeconomic impact of FTAs depends critically on exchange rate management, current account dynamics, and the ability of domestic firms to adjust. A strong rupee relative to sterling or the euro could negate the competitive advantages gained from tariff reductions.

09. Linkages with NCERTs

- ▶ **Class XII — Economics (Macroeconomics), Chapter 6: Open Economy Macroeconomics:** Covers balance of payments, exchange rates, and the impact of trade on the macroeconomy. Directly relevant to understanding how FTAs affect India's current account, trade balance, and exchange rate dynamics.
- ▶ **Class XII — Economics (Indian Economic Development), Chapter 3: Liberalisation, Privatisation, and Globalisation:** The foundational chapter on India's 1991 reforms and their economic consequences. Provides the context for understanding why India shifted from import substitution to export-led growth and why FTAs are now a preferred instrument of trade strategy.
- ▶ **Class XII — Economics (Indian Economic Development), Chapter 7: Employment: Growth, Informalisation and Other Issues:** Examines the composition of India's workforce, the dominance of informal employment, and the challenges of creating quality jobs. Directly relevant to the social and labour dimensions of FTA provisions on sustainable development and MSME procurement.
- ▶ **Class XII — Political Science (Contemporary World Politics), Chapter 9: Globalisation:** Analyses the political dimensions of globalisation—including debates about national sovereignty, cultural identity, and economic inequality. Provides the political theory lens for evaluating India's FTA strategy and its implications for policy autonomy.
- ▶ **Class XI — Political Science (Indian Constitution at Work), Chapter 6: Judiciary:** Relevant for understanding the legal architecture—particularly Section 3(d) of the Patents Act and its judicial validation in *Novartis v. Union of India*—that India must protect in FTA IP negotiations.
- ▶ **Class XI — Economics (Indian Economic Development), Chapter 4: Poverty:** Discusses poverty measurement, the role of public policy in poverty alleviation, and the importance of access to public goods. Connects directly to the public health dimension of FTA IP provisions and their impact on access to affordable medicines for the poor.
- ▶ **Class X — Social Science (Understanding Economic Development), Chapter 4: Globalisation and the Indian Economy:** Introduces the concept of globalisation, its drivers, and its impact on Indian industries and consumers. Provides a basic framework for students to connect MNC behaviour, IP rights, and trade liberalisation with their real-world consequences for Indian families.

10. Linkages with UPSC CSE Syllabus

GS Paper II — Governance, Constitution, Polity, Social Justice, and International Relations

- ▶ India and its neighbourhood — relations with major countries and groupings: India-UK, India-EU, India-US trade relations as instruments of foreign policy.
- ▶ Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora: How EU green trade measures, US IP pressures, and UK procurement rules affect India's interests.
- ▶ Important International Institutions, agencies and fora — their structure, mandate: WTO, Dispute Settlement Mechanism, TRIPS, RCEP, Regional Trade Agreements.

GS Paper III — Economy, Agriculture, Environment, Internal Security

- ▶ Indian economy and issues relating to planning, mobilisation of resources, growth, development, and employment: Trade liberalisation, GVC integration, FTA impact on Indian industry and employment.
- ▶ Inclusive growth and issues arising from it: MSME development, public procurement policy, Atmanirbhar Bharat, Make in India—all affected by FTA government procurement chapters.
- ▶ Science and technology — developments and their applications and effects in everyday life: IPR, pharmaceutical innovation, generic medicine access, AI governance through digital trade chapters.
- ▶ Infrastructure: Energy, Ports, Roads, Airports, Railways: CBAM implications for India's energy-intensive export sectors (steel, aluminium, cement).

Essay Paper

- ▶ 'Trade is not merely an economic activity but a diplomatic instrument.' — Possible essay theme connecting FTA strategy with India's foreign policy doctrine.
- ▶ 'The price of market access should not be the surrender of policy sovereignty.' — Abstract philosophical essay on developmental state vs. free trade ideology.

GS Paper IV — Ethics, Integrity, and Aptitude

- ▶ Ethical frameworks applied to public policy decisions: The moral dimensions of prioritising aggregate GDP growth over equitable access to affordable medicines.
- ▶ Corporate governance and business ethics: The behaviour of multinational pharmaceutical corporations in lobbying for stronger IP protections in trade agreements.

Optional Subjects Linkages

- ▶ Public Administration: Trade policy formulation, inter-ministerial coordination in FTA negotiations, parliamentary oversight of treaty commitments.
- ▶ Economics Optional: International economics—comparative advantage theory, terms of trade, GVC integration, trade policy instruments, TRIPS and pharmaceutical economics.
- ▶ Sociology Optional: Globalisation and its discontents—the social consequences of trade liberalisation for MSMEs, informal workers, and rural communities.

11. Best Linkages with Syllabus, Philosophy, and Epistemology

A. Deepest Syllabus Connections

- ▶ **India and World Affairs (GS Paper II):** India's FTA strategy is not merely a commercial exercise—it is a reflection of India's broader foreign policy doctrine of strategic autonomy, non-alignment 2.0, and multi-alignment. The tension between market access imperatives and policy sovereignty plays out most visibly in trade diplomacy.
- ▶ **Inclusive Development (GS Paper III):** The MSME and public procurement dimensions link directly to India's model of inclusive development—where growth must generate employment and economic opportunity for small producers and marginalised communities, not just for large corporations and export champions.

B. Philosophical Frameworks in Examination Answers

- ▶ **Rawlsian Justice:** When addressing the IP and access-to-medicines dimension, framing the argument through Rawls's 'veil of ignorance' thought experiment—what trade policies would we choose if we did not know whether we would be patent holders or medicine-dependent patients?—elevates the answer from a merely technical to a philosophically grounded response.
- ▶ **Sen's Capability Framework:** Connecting FTA provisions to the erosion or enhancement of concrete human capabilities—the freedom to access medicine, to participate in a digital economy, to earn a decent livelihood—grounds the analysis in human development rather than abstract economic efficiency.
- ▶ **Habermasian Communicative Ethics:** Jürgen Habermas's theory of communicative action—which requires that norms be legitimate only if all affected parties can participate in deliberation on equal terms—is directly relevant to the democratic deficit in FTA negotiations. Agreements negotiated in secrecy without parliamentary oversight fail Habermasian legitimacy tests.
- ▶ **Kautilyan Realism:** In geo-economic analysis, applying the Arthashastra lens—trade as a tool of power, not merely profit—helps explain why India's FTA strategy is simultaneously a commercial and a geopolitical enterprise.

C. Epistemological Angles

- ▶ The digital trade provisions—prohibiting source code access and algorithmic auditing—raise a fundamental epistemological question about the limits of regulatory knowledge. A regulator who cannot inspect the code or audit the algorithm of an AI system is epistemically blind to its consequences. This 'regulatory ignorance by design' is a novel form of knowledge asymmetry embedded in trade law.
- ▶ The 'Brussels Effect'—by which EU standards become global norms—illustrates how regulatory epistemology is geographically biased: the knowledge, methods, and standards that dominate global rule-setting reflect the experiences, institutions, and interests of the most powerful regulatory jurisdictions, not those of developing countries.

12. Way Forward

India's FTA strategy must be guided by a clear-eyed assessment of both opportunity and risk. The following recommendations chart a course between economic openness and developmental sovereignty.

- ▶ **Establish a Parliamentary Trade Oversight Committee:** India should create a dedicated parliamentary standing committee on trade agreements with the power to review negotiating mandates, scrutinise treaty texts, and ratify final agreements. This would bring democratic accountability to a process currently dominated by executive discretion and address the legitimate concerns of domestic stakeholders.
- ▶ **Red Lines on Compulsory Licensing:** India must treat its compulsory licensing framework as a non-negotiable red line in all trade negotiations. Section 3(d) of the Patents Act must be explicitly exempted from FTA IPR disciplines, and voluntary licensing mechanisms should be complementary to, not replacements for, compulsory licensing.
- ▶ **Digital Sovereignty Architecture:** India should develop a comprehensive national Digital Sovereignty Policy that defines its non-negotiable positions in digital trade negotiations—on data localisation, source code access, algorithmic auditability, and cross-border data flows. This policy architecture should inform FTA negotiations rather than be determined by them.
- ▶ **Graduated Procurement Opening:** Any opening of government procurement markets should be implemented through a carefully phased schedule, with explicit carve-outs for MSMEs, SC/ST-owned enterprises, and strategic sectors. The WTO GPA's flexibility provisions for developing countries should serve as a model.
- ▶ **Green Transition Support in Trade Deals:** India should negotiate explicit technology transfer, capacity building, and climate finance commitments as conditions for accepting CBAM-aligned environmental chapters in FTAs. The principle of common but differentiated responsibilities must be operationalised in trade agreement environmental provisions.
- ▶ **Strengthen Trade Negotiating Capacity:** India needs a permanent, well-funded Trade Negotiations Bureau staffed by specialised economists, lawyers, and sectoral experts. It should also invest in trade intelligence systems, FTA impact assessment methodologies, and academic research programmes to strengthen the analytical basis of its negotiating positions.
- ▶ **Negotiate Mutual Recognition over Harmonisation:** Where regulatory standards differ between India and trading partners, India should prefer mutual recognition agreements (MRAs) over outright harmonisation. MRAs acknowledge the legitimacy of Indian regulatory frameworks while enabling market access—a more equitable approach than requiring India to simply adopt EU or UK standards.
- ▶ **Maintain WTO as the Primary Forum:** Even as India pursues bilateral FTAs, it must continue to champion WTO reform—particularly the restoration of the Appellate Body and the operationalisation of Special and Differential Treatment for developing countries. A functioning multilateral system provides India with stronger systemic protections than bilateral deal-making.
- ▶ **APSC-Specific Recommendation (Assam/Northeast Lens):** For Assam and the Northeast, FTA negotiations with neighbouring economies—Bangladesh, Myanmar, ASEAN—offer specific

opportunities in agro-processing, bamboo products, and tourism. The Act East Policy should be leveraged to ensure that Northeast India becomes a gateway rather than a passive observer of India's eastern trade integration.

AXIA IAS ACADEMY

13. Previous Years' UPSC and APSC Questions

UPSC CSE Prelims — Relevant Questions

- ▶ **2023:** 'TRIPS Agreement' in the context of trade is associated with which of the following organisations? (a) WTO (b) UNCTAD (c) IMF (d) World Bank [Answer: a]
- ▶ **2022:** With reference to 'WTO Agreement on Trade Facilitation', consider the following statements and identify correct ones. [Covers Bali Package, single undertaking, SDT provisions]
- ▶ **2020:** Which of the following bodies finalises the Five Year Defence Plan? — [Related to procurement policies and Atmanirbhar Bharat context]
- ▶ **2019:** Consider the following statements with reference to 'Make in India' initiative — which are correct? [Links to domestic manufacturing, procurement preferences, MSME development]
- ▶ **2018:** With reference to RCEP, consider statements on: India's participation status, agricultural market access concerns, ASEAN FTA impact. [India's trade strategy and RCEP withdrawal context]
- ▶ **2017:** Which of the following statements best describes the term 'Evergreening' used in the context of pharmaceutical patents? [Section 3(d), TRIPS, Novartis case]
- ▶ **2016:** Which of the following comes under the jurisdiction of WTO? (a) Cross-border investment (b) Government procurement (c) Environmental standards in traded goods (d) All of the above
- ▶ **2014:** In the context of bilateral investment treaties, consider statements about India's model BIT and its relationship with FTAs. [Policy sovereignty, regulatory chill, ISDS]

UPSC CSE Mains — Relevant Questions

- ▶ **2023 — GS III:** How does India's Intellectual Property Rights framework address the tension between innovation incentives and access to affordable medicines? What are the TRIPS flexibilities available to India?
- ▶ **2022 — GS II:** India's approach to multilateralism has evolved from ideological commitment to pragmatic engagement. Discuss with reference to India's participation in WTO negotiations and bilateral trade agreements.
- ▶ **2021 — GS III:** Discuss the impact of the COVID-19 pandemic on global supply chains and how India can leverage the post-pandemic restructuring to strengthen its manufacturing sector. (Atmanirbhar Bharat context)
- ▶ **2020 — GS II:** Comment on the significance of the Regional Comprehensive Economic Partnership (RCEP) in the context of India's foreign trade and overall development.
- ▶ **2019 — GS III:** What are the impediments to India's manufacturing sector's participation in global value chains? Suggest policy measures to overcome them.
- ▶ **2018 — GS II:** What are the key issues confronting India's engagement with the European Union? How can the relationship be further strengthened?
- ▶ **2017 — GS III:** How are the functioning of Anganwadi centres linked to India's development goals? (Oblique linkage — social procurement and MSME context in rural service delivery)
- ▶ **2016 — GS II:** Critically examine India's policy on trade agreements with reference to the ASEAN Free Trade Agreement. What have been the lessons for India's subsequent FTA strategy?
- ▶ **2015 — GS III:** What are the implications of the agreement on Trade Facilitation at Bali for India? What are the key unresolved issues related to agriculture in the WTO?
- ▶ **2013 — GS II:** What are the key challenges for India in the WTO's Doha Development Round? How has India sought to protect its interests in multilateral trade negotiations?

APSC CCE — Assam/Northeast Relevant Questions

- ▶ **APSC Mains (GS II) — 2019:** Critically examine the impact of ASEAN Free Trade Agreement on India's Northeast region, with special reference to Assam's trade opportunities and challenges.
- ▶ **APSC Mains (GS III) — 2018:** Discuss the relevance of India's Act East Policy for the economic development of Assam. What specific trade and connectivity initiatives have been undertaken under this policy?
- ▶ **APSC Mains (GS II) — 2017:** How does the WTO framework affect India's domestic agricultural policies? What are the implications for Assam's farming community?
- ▶ **APSC Mains (GS III) — 2016:** What is the significance of the India-Bangladesh Land Border Agreement for trade and connectivity in Assam? Discuss the economic opportunities it creates.
- ▶ **APSC Mains (GS II) — 2015:** Discuss the challenges faced by MSMEs in Assam in the context of India's trade liberalisation. What policy measures can help them compete effectively?

AXIA IAS ACADEMY

14. Model Answers for Selected Questions

Q. What are the implications of India's new Free Trade Agreements for its policy sovereignty? Critically examine. [GS Paper II / III — 250 words]

Introduction

India's recent bilateral trade agreements with the UAE (2022), Australia (2022), UK (2024), and EU (2025) mark a decisive shift in its trade strategy from defensive import substitution to calibrated economic engagement. While these agreements promise market access, GVC integration, and export diversification, they also embed commitments that constrain India's domestic policy space in critical domains.

Body — Key Implications

- ▶ **Government Procurement and MSMEs:** The India-UK CETA's no less favourable treatment clause and the provision enabling UK firms to qualify as Class II local suppliers with only 20% domestic content could crowd Indian MSMEs out of public tenders. Policies like Atmanirbhar Bharat and Make in India—which use procurement preferences as industrial policy instruments—may be structurally compromised.
- ▶ **Intellectual Property and Access to Medicines:** The prioritisation of voluntary licensing over compulsory licensing in IPR chapters, combined with the elimination of patent working disclosure requirements, dilutes India's hard-won pharmaceutical policy flexibilities. India, as the world's largest generic medicine producer, risks compromising both domestic health security and its role as the 'pharmacy of the world.'
- ▶ **Digital Sovereignty:** Restrictions on source code access and algorithmic auditing in the India-EU FTA constrain India's ability to regulate AI and digital systems—a critical gap as AI governance becomes a national priority.
- ▶ **Precedent-Setting Risks:** Concessions made in current agreements create templates for more demanding negotiations—particularly with the United States—potentially foreclosing India's future regulatory and policy space.

Way Forward

India must approach FTA negotiations with explicit red lines on IP (compulsory licensing), government procurement (MSME carve-outs), and digital trade (regulatory access to AI systems). Establishing parliamentary oversight of trade agreements and investing in negotiating capacity will help ensure that market access gains do not come at the permanent cost of developmental sovereignty.

Conclusion

Trade agreements are constitutional-grade documents that shape national development trajectories for decades. India's negotiating strategy must be as sophisticated as its ambitions—securing global markets while defending the policy space needed to lift hundreds of millions out of poverty.

Q. Comment on the significance of the Regional Comprehensive Economic Partnership (RCEP) in the context of India's foreign trade and overall development. [GS Paper II — 2020 Mains — 250 words]

Introduction

RCEP—the world's largest trade bloc by GDP, population, and trade volume—was finalised in November 2020 among 15 Asia-Pacific nations, notably without India, which withdrew from negotiations in 2019. India's decision was both a reflection of legitimate developmental concerns and a significant strategic calculation with long-term consequences for its trade and foreign policy posture.

Body

- ▶ **Trade Diversion Risks:** India's exit from RCEP means it faces tariff disadvantages relative to RCEP members in key Asian markets. Indian exporters of textiles, pharmaceuticals, engineering goods, and agricultural products will face discrimination as RCEP members liberalise trade among themselves.
- ▶ **Import Surge Concerns:** India's primary apprehension was the risk of cheap Chinese goods flooding the Indian market through ASEAN routing, replicating the adverse experience of the India-ASEAN FTA. India's trade deficit with China—over \$85 billion annually—made it wary of further opening.
- ▶ **Services Asymmetry:** Despite being a services export powerhouse, India could not secure adequate commitments on Mode 4 services (movement of professionals) that would have benefited its IT sector.
- ▶ **Strategic Cost:** Remaining outside RCEP reduces India's leverage in shaping Asian trade and supply chain architectures. As RCEP deepens, India risks becoming a peripheral player in the world's most dynamic economic region.

Way Forward

India should pursue associate membership or a bilateral engagement framework with RCEP economies, while addressing domestic structural weaknesses—tariff rationalisation, infrastructure, ease of doing business—that underlie its trade competitiveness concerns.

Conclusion

India's RCEP withdrawal reflects a legitimate balancing act between developmental imperatives and external competition. The challenge is to ensure that this strategic caution does not become strategic isolation from Asia's most consequential economic integration project.

Q. India's Intellectual Property Rights framework and the tension between innovation and access to affordable medicines — discuss TRIPS flexibilities. [GS Paper III — 2023 Mains — 250 words]

Introduction

India's IPR framework represents one of the most carefully calibrated policy balancing acts in international trade law—seeking to comply with WTO TRIPS obligations while preserving the public health flexibilities that allow domestic generic manufacturers to produce affordable medicines. The tension between IP protection and access to medicines is at the heart of India's pharmaceutical trade policy.

Body

- ▶ **TRIPS Flexibilities Available to India:** The TRIPS Agreement explicitly provides for compulsory licensing (Article 31) during national emergencies, non-commercial government use, and anti-competitive practices. The Doha Declaration on TRIPS and Public Health (2001) further affirmed

that TRIPS must be interpreted in a manner supportive of WTO members' right to protect public health.

- ▶ Section 3(d) — India's Innovation: India's unique Patents (Amendment) Act 2005 introduced Section 3(d), which prevents 'evergreening'—the practice of patenting minor modifications of existing molecules to extend monopoly periods. This provision was upheld by the Supreme Court in *Novartis v. Union of India* (2013) and has become a model for developing countries.
- ▶ Natco-Bayer Case (2012): India's first compulsory licence was granted for Sorafenib Tosylate (Nexavar), reducing the drug's price by over 97%. This demonstrated the practical effectiveness of CL provisions in protecting public health.
- ▶ FTA Threats: Bilateral trade agreements—particularly with the UK and EU—introduce 'TRIPS-Plus' provisions through soft normative pressure (prioritising voluntary licensing) and procedural constraints (eliminating working disclosure requirements) that erode India's effective use of CL.

Conclusion

India must defend its TRIPS flexibility framework vigorously in trade negotiations, treating it not as a bargaining chip but as a constitutional obligation to its citizens' right to health under Article 21 of the Constitution. The pharmacy of the world cannot afford to surrender its pharmaceutical policy sovereignty.

🔗 Why This Issue is UPSC-Relevant & Note-Making Tips

UPSC Relevance:

- ▶ This topic sits at the intersection of GS Paper II (International Relations, India-World, WTO, Trade Bodies) and GS Paper III (Indian Economy, Industry, IPR, Science & Technology), making it a high-probability multi-paper question theme.
- ▶ The India-UK CETA and India-EU FTA are contemporary issues that directly connect to UPSC's emphasis on current affairs woven into conceptual frameworks.
- ▶ Philosophical dimensions (Rawls, Sen, Kautilya, Habermas) give this topic exceptional essay-writing potential.
- ▶ The APSC-specific angle—trade opportunities for Assam/Northeast through Act East Policy and India-Bangladesh-ASEAN connectivity—ensures relevance for state service examinations.

Note-Making Tips:

- ▶ Create a two-column comparison table: 'Market Access Benefits' vs. 'Policy Sovereignty Costs' for each FTA provision.
- ▶ Build a timeline card: India's FTA journey from GATT 1948 → WTO 1995 → ASEAN FTA 2010 → RCEP exit 2019 → UAE-Australia 2022 → UK-EU 2024-25.
- ▶ Prepare a case study note on Natco-Bayer CL case (2012) and *Novartis v. India* (2013) for the IP dimension.
- ▶ Link CBAM to Climate Change notes (Paris Agreement, NDCs) for the environmental dimension — multi-angle notes maximise retention and answer quality.
- ▶ For answer writing: Always structure as Introduction (3-4 lines) → Body (3-4 dimensions with 2-3 bullets each) → Way Forward (2-3 constructive points) → Conclusion (1 philosophical or constitutional line). This structure scores consistently above 120/250 in GS Papers.