Over the last week or so, India has been in international news for two major happenings. First, India suffered a setback at the World Trade Organization (WTO) in a trade dispute with the US which challenged India’s key export subsidy schemes, including one for special economic zones. The WTO’s dispute resolution panel ruled that India’s export subsidy programs violate WTO trade provisions and fall under the list of prohibited subsidies (offered in the form of exemptions from customs duties, deductions from taxable income, etc). Though India is likely to appeal the ruling in the Appellate Body, from a domestic perspective, the WTO ruling is likely to affect the government’s aggressive push to incentivize exporting industrial units through subsidies.

Read more at: https://www.deccanherald.com/specials/sunday-spotlight/indias-diffidence-in-signing-up-for-trade-deals-774950.html