

Indian financial services market access for UK strengthened

Top UK and Indian business and finance leaders meet to celebrate strong financial services ties and explore new business opportunities

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The UK and Indian governments have announced plans to strengthen UK-Indian trade relations with an emphasis on financial services, trade and technology at the India Day summit held in London.

The two governments have today (16 July) held a business and investment summit at Mansion House in the City of London, where Prime Minister Theresa May, Liam Fox, the Secretary of State for International Trade, and Piyush Goyal, the Indian Commerce Minister spoke to delegates from Indian and UK businesses as well as government ministers on plans to further strengthen the UK-India relationship and highlighted the opportunities for future trade and investment between the two nations.

The event, co-hosted by the City of London, focused on how UK and Indian financial markets can support India's transition to a more services-led economy by improving access to its import markets and internationalising its currency.

The daylong event brought together senior ministers and business representatives from both countries including the Deputy Governor of the Bank of England, Sir David Ramsden, Crispin Simon, Her Majesty's Trade Commissioner for South Asia and Lord Ashton, Parliamentary Under Secretary of State for Culture, Media and Sport.

The Secretary of State for International Trade, Dr Liam Fox MP, said:

The UK and India already have a strong bond, built on historic links and present-day trade, which is worth £20 billion. This is a solid base to build on as we venture into the future as partners working to strengthen our economic ties and create growth for prosperity in both nations.

The City of London is playing a crucial role in the internationalisation of the rupee, which will help ensure the Indian economy reaches its full potential.

This morning, Minister Goyal and I opened the London Stock Exchange, which is now the world's largest rupee-denominated Masala bond centre, selling more than half of all the rupee-denominated bonds issued to overseas buyers globally.

This demonstrates the scale of what the UK can do for India's economic transformation, and the potential of what we can achieve together in the future.

High-profile businesses executives were present, amongst others, from the London Stock Exchange, Standard Chartered, WorldPay, Prudential, Hero Enterprise, Punjab National Bank, HDFC Life, National Investment and Infrastructure Fund and Lloyds of London and ran panel sessions throughout the day focused on:

- The Future of Insurance,
- Opportunities in green infrastructure financing,
- Innovation in Financial Services,
- Investing in Stressed Assets,
- Investing in innovation,
- Opportunities in India's Growing Economy

The UK is committed to growing the bilateral trading relationship between the two countries, India is already the UK's 11th largest export market outside of the EU and accounts for £7.5 billion of existing investment in the UK. Bilateral trade is valued at more than £20.5 billion per year, and grew at 14% last year, demonstrating the potential of the Indian economy to grow and the opportunities for both countries ahead.

The UK is firmly established in financial trading markets and accounts for 37% of global foreign exchange trading. It is also a global centre for the issuance and trading of bonds, with around 39% of global secondary market turnover in 2017.

Britain's position as a world-leading finance hub makes it perfectly placed to support India's aspirations to develop its financial infrastructure and tap into global sources of capital.

The two nations are working together for to access opportunities in many

sectors, not only the finance and global trading on offer from the City of London. Yesterday (15 July) also marked the 13th Joint Economic and Trade Committee between the UK and India. Ahead of the committee, the UK government secured renewed market access across three key Indian growth sectors (poultry, oats and pig products) and enabled continued market access in a 4th (sheep). From 2016-2018 Indian imports of these products accounted for £9.8 million per year.

Thanks to the close collaboration between both governments, the UK will be able to more easily access these import markets – showing yet more progress outside of formal free trade agreements.

The UK also announced that it is widening the scope of the India-UK Joint Working Group to include new sectors, including services and chemicals.

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