

# Huge opportunity for business in India's fintech space: UKIBC

SHREYA NANDI

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The UK India Business Council sees opportunities for trade, investment, and collaboration with India across financial technology (fintech), food and beverage, electric vehicle (EV), and other sectors. A report published by the industry lobby group, in partnership with UK's international trade department, titled *Opportunities for UK Regions in India: An Analysis of Key Sectors for Collaboration*, said both nations share great synergies — both in shared areas of strength such as the digital sector, and in areas of complementarity.

“For example, the UK is a world leader in advanced manufacturing and engineering technology, while India is home

to an abundant, highly skilled labour force and is pushing its own manufacturing agenda under the Make in India initiative,” the report said.

The partnership between both countries will grow as negotiations for a free trade agreement are underway.

Negotiations for a trade deal between both nations started in January this year, and the deal is expected to be signed by Diwali.

“India is home to various clusters where certain sectors are stronger than in other areas. Especially in the case of India, such is the size and diversity of the country between states, it is important UK businesses

are aware of the clusters fitting their sector and goals. This report seeks to identify the regional strengths in both countries and highlight synergies to enable businesses in certain sectors and regions to

succeed in the UK-India economic corridor,” it said.

The industry lobby group sees opportunities for businesses in India's fintech sector, where mobile internet usage is rising rapidly. Since the younger demographic is accustomed to utilising mobile devices and is eager to try new products and services, the rapid adoption of new solutions in the payments space entering the fintech industry can be quite pleasant, it said.

However, the report warned that rapidly changing regulations due to the evolving nature of the sector pose cost-related challenges to businesses. Besides, the fintech sector is still governed by banking regulations, and India is yet to come out with separate guidelines for the industry.

India's food processing industry could also be another area of interest, as the country currently processes 10 per cent of its agricultural output, presenting a massive opportunity to enhance processing and attract investment.

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