

UK set to support India in rupee's internationalisation

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India and the UK have agreed to explore the role of London as a global financial centre and foreign exchange hub to support internationalisation of the rupee, said a joint statement of the India-UK Economic and Financial Dialogue.

The statement issued by Rachel Reeves, Chancellor of the Exchequer, UK, and Finance Minister Nirmala Sitharaman said, "Both sides note the potential for greater internationalisation of the Indian rupee and welcome India permitting the opening of rupee accounts in overseas jurisdictions."

The FM is currently in the UK for the 13th Economic and Financial Dialogue between the two countries.

"Both sides look forward to furthering the bilateral relations between our nations, including continuing negotiations at pace towards a mutually-beneficial Free Trade Agreement and Bilateral Investment Treaty," the joint statement said.

The two countries also welcomed the agreement to formalise cooperation between the Financial Conduct Authority and International Financial Services Centres Authority through an Exchange of Letters. This would set out a clear framework for future regulatory cooperation.

"Both sides commit to hold a one-off UK-India Strategic Leadership



Union Minister for Finance and Corporate Affairs Nirmala Sitharaman during a fireside chat at India House, in London, UK PHOTO: PTI

Exchange on Illicit Finance, bringing together leaders and practitioners in both countries to exchange risk understanding, knowledge, and experiences of addressing illicit finance flows," the statement added.

The two countries also recognised the importance of transition finance for mobilising capital to support sustainable development. They also discussed the importance of international tax cooperation.

Earlier in the day Sitharaman also said India, one of the largest economies of the world, was on its way to become the third largest economy — and set to become the sixth largest insurance market by 2032.

