



# A PASSAGE TO INDIA



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According to some estimates about 1.75 million Indian expatriates are currently living in the UAE, and in a population of just over 5 million that means Indians constitute about a third of all people in the UAE.

India – UAE relations are a perfect example of long-standing economic co-operation. Islam initially came to India through Arab traders in the 7th century AD and later the visit of Ibn Battuta, the Arab Islamic Scholar in 14<sup>th</sup> Century, was a significant event in Arab- Indian History.



The two cultures were closely involved in pearl, dates, textiles and other trading in the 18th and 19th centuries when the UAE became and remains a gateway for Indian trade with the rest of the region and as such has become India's largest trading partner and considerable potential exists for further increasing the current level of trade and economic co-operation.

Non-oil, Indo-Emirati exports and imports have increased from USD 12,945.87 billion in 2005-06 to USD 43,469.50 billion in 2009-10. The exports from India, up from USD 8,591.79 billion in 2005-06 to USD 23,970.40 billion in 2009-10. Similarly imports from UAE, up from USD 4,354.08 in 2005-06 to USD 19,499.10 billion in 2009-10. Over the last 5 years, that is a total growth of over 300%.

## Key Items of export from India to the UAE

- Petroleum Products
- Precious metals
- Gems & Jewellery
- Minerals
- Engineering & Machinery
- Textiles
- Chemicals
- Food products & Grains

## Key items of export from the UAE to India

- Petroleum Products
- Precious Metals
- Gems & Raw Pearls
- Minerals
- Chemicals
- Iron & Steel

**Note the striking similarity demonstrating trade across an unrestricted landscape, where Indian and UAE companies compete freely in the absence of any protectionist policies.**

The UAE's freezones have opened up many opportunities to global companies, for India it is perhaps most notably in IT, pharmaceutical, oil & gas companies. Additionally Universities have several off-campus centres in Academic City. However, and has often been the case, a clear indication of a countries ongoing interest in the UAE, its economy and as a trading partner has been a commitment to infrastructure investment and its banking sector. For India, there are now more that 17 Indian banks that have representative offices in the UAE. Within the last year 5 more have opened further reflecting their confidence in the UAE and the stability of its economy.

Indian Companies have contributed robustly to the economy of the UAE and specifically Dubai. Equally the UAE is considered the number one Arab country, and the 10th globally in terms of the overall value of foreign direct investment inflows into India, preceded by Mauritius, Singapore, the USA, Britain, Holland, Japan, Turkey, Germany, and France. This is based on a survey of UAE investments abroad conducted by the foreign trade ministry that showed investments by UAE firms in India reached 5.7 billion dirhams. The report predicted that the value of UAE investments in India, in light of the continuous development of economic and commercial ties between India and the UAE, will reach 6.9 billion dirhams by the middle of 2011.