

UAE-INDIA BUSINESS COUNCIL

MAY 2023 NEWSLETTER



His Highness Sheikh Abdullah Bin Zayed Al Nahyan, Minister of Foreign Affairs of the United Arab Emirates and Dr. Subrahmanyam Jaishankar, Minister of External Affairs of the Government of India discussed the strategic relations, joint cooperation, and the comprehensive economic partnership between UAE & INDIA, on the sidelines of **"Friends of BRICS (Brazil, Russia, India, China, and South Africa)"** meeting.

KEY HIGHLIGHTS

UAE ECONOMY HITS ONE OF FASTEST GROWTH RATES IN THE WORLD



The UAE economy will grow at a faster pace next year (2024) as both oil and non-oil sectors are expected to perform better, according to the Central Bank's (CBUAE) annual report.

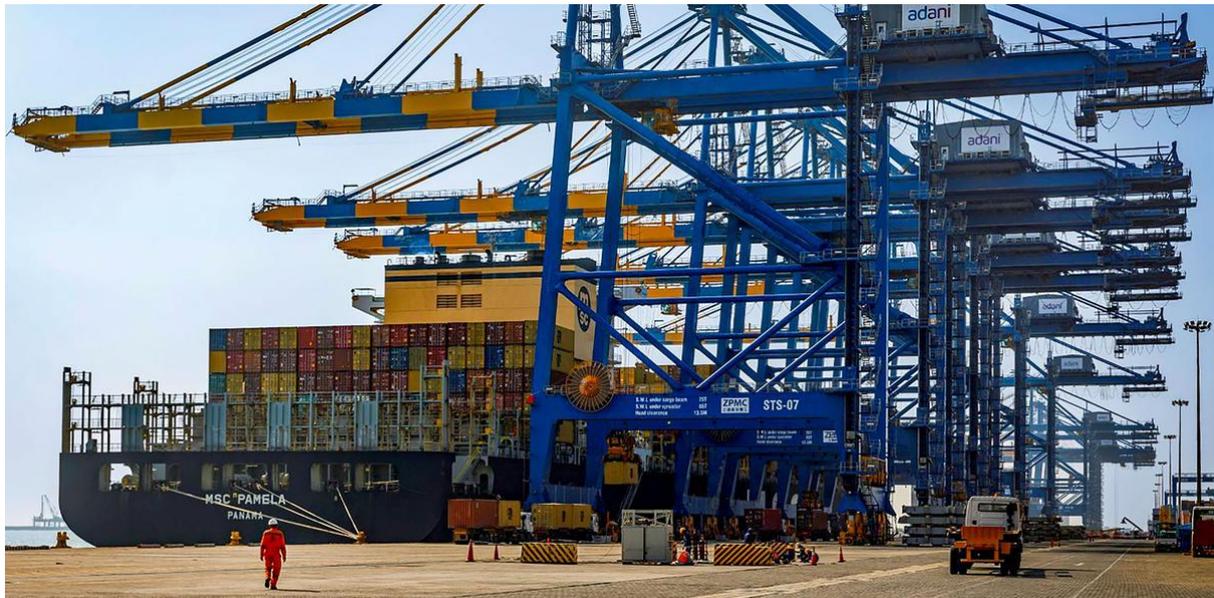
The country's gross domestic product (GDP) is projected to have grown at 7.6% last year, almost double the rate recorded in the previous year. This is also one of the fastest growth rates in the world.

Real oil GDP is projected to grow by 3% and 3.5% in 2023 and 2024, respectively.

Non-oil GDP growth is estimated to have accelerated to 6.6% in 2022 from 5.8% in 2021 due to a variety of factors — including the lifting of most Covid-19-related restrictions; the resulting recovery in global travel and tourism, real estate, and construction sectors; the expanding manufacturing activity; and increased activity associated with world-class events such as Expo 2020 Dubai and FIFA World Cup in Qatar.

For 2023 and 2024, the Central Bank projected real non-oil GDP growth to slow to 4.2% and then accelerate to 4.6%, respectively, in line with global growth trends. [READ MORE](#)

INDIA EYES GREEN HYDROGEN BUNKERING AT MAJOR PORTS BY 2035



India has set a deadline of 2035 to establish green hydrogen bunkering and refuelling facilities at major ports in the drive to cut its carbon footprint. One of the world's biggest emitters of greenhouse gases, India aims to cut emissions to net zero by 2070, and three of its ports would initially have bunker facilities for green hydrogen and ammonia. [READ MORE](#)

INDIA IN TALKS WITH WEST ASIAN COUNTERPARTS UAE, USA, SAUDI ARABIA FOR INFRA PROJECTS



Shri Ajit Doval, National Security Advisor (NSA), India had bilateral meetings with US' Mr Jake Sullivan, Saudi PM and Crown Prince Mohammed Bin Salman and UAE NSA

Sheikh Tahnoon bin Zayed Al Nahyan to discuss regional and global issues. Shri Doval and Mr Sullivan also agreed to meet on the sidelines of the Quad summit. [READ MORE](#)

UAE WELCOMES INDIAN COMPANIES TO ITS FREE ECONOMIC ZONE



Economic ties between India and the UAE got a boost with a free trade pact signed last year. Indian startups see growth potential through Dubai free zone incubation centers and schemes.

A UAE free economic zone invited Indian companies to expand operations into the region, as the Gulf state tries to attract investors from South Asia's largest economy with new opportunities. Economic ties between India and the UAE received a major boost when their Comprehensive Economic Partnership Agreement came into force in May last year. [READ MORE](#)

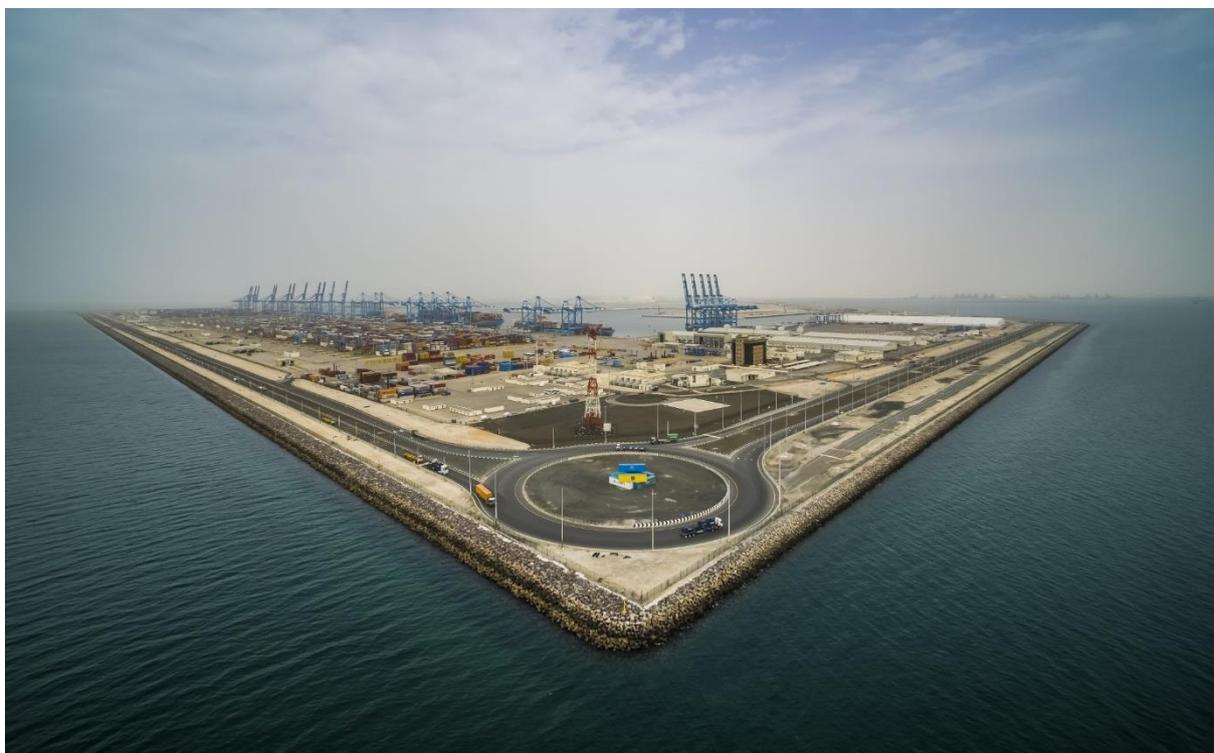
GUJARAT IMPLEMENTS NEW GREEN H2 POLICY



With India's goal of cutting carbon emissions by 45% by 2030, the Gujarat government has launched a new green H2 policy for producing green hydrogen. In less than two months, the draught policy will be ready. According to a press note, it will be carried out after stakeholder meetings and in conformity with Ministry of Environment, Forest, and Climate Change regulations.

By using green hydrogen instead of grey hydrogen, which is now produced mostly using fossil fuels (coal and natural gas), there will be a significant drop in carbon emissions. [READ MORE](#)

UAE's KHALIFA PORT IS RANKED THE 3rd MOST EFFICIENT CONTAINER PORT GLOBALLY



AD Ports Group, the leading facilitator of global trade, logistics and industry, announced that its flagship deep-water port, Khalifa Port, has been ranked as the 3rd most efficient container port globally, in the recently published Container Port Performance Index (CPPI) developed by the World Bank and S&P Global Market Intelligence.

The 2022 ranking as the 3rd most efficient container port in the world is a result of the continued investment in the port's infrastructure and focused efforts on enhancing operational efficiency, which continues to be a commercial differentiator, attracting three of the world's largest container shipping lines as strategic partners, thereby greatly increasing the connectivity and attractiveness of Abu Dhabi and the UAE as a hub for global trade. [READ MORE](#)

INDIA-UAE PRESENT A UNIQUE COMPREHENSIVE ECONOMIC PARTNERSHIP MODEL TO THE WORLD



The two countries' economies were among the fastest growing in the world in 2022, characterized by a fast pace of economic growth. The UAE economy grew by 7.6% last year, and according to the World Bank estimates, the Indian economy's GDP achieved a yearly growth of 7.7% in the first nine months of the fiscal year 2022-2023. This indicates the number of economic opportunities that are available in our markets, encouraging the UAE and Indian private sectors to seize this opportunity to further the prospering economic partnership between the two countries.

The UAE wants to become a USD1.2 trillion economy within the next seven years, whereas India is targeting a USD5 trillion goal.

The UAE is keen to support the Indian government's vision to raise the Indian economy's GDP to USD5 trillion by the year 2025, as well as its future expansion plans in the multilateral trading system.

"The CEPA [Comprehensive Economic Partnership Agreement] signed between the two countries in February 2022 achieved positive results. It played a vital role in enhancing trade exchanges, facilitating investment

flows, and creating more opportunities and capabilities for exporters and importers in both markets. The agreement has enabled advantages like an open and non-discriminatory environment for cross-border trade with India, and the abolition of customs tariffs on more than 80 per cent of UAE and Indian goods. It also enhanced the access of service providers to markets across 11 main sectors and more than 100 sub-sectors including digital trade and intellectual property rights, creating job opportunities in many sectors and economic activities,” H.E. Abdulla bin Touq Al Mari, Minister of Economy, UAE, said.

The UAE-India non-oil foreign trade grew by 24.7% in Q1 2023 compared to the same period in 2022. Apart from that, the UAE’s non-oil exports to Indian markets grew by 33 per cent, while trade amounted to about USD180 billion, up 10% from 2021. The UAE-India partnership is a driver for economic growth that creates trade and investment opportunities for over 3.8 billion people.

The two countries are accelerating efforts, hand in hand, to develop our economies and adopt plans, strategies, and initiatives that support our visions for expansion and investment in the new economy sectors. Through this important economic event, we look forward to enhancing bilateral trade with India in the fields of technology, digital payments, innovation, green energy, healthcare, communication, logistics, transport, waste management, and space technology.

*H.E. Abdulla Bin Touq Al Mari emphasised that the **UAE and India present a unique comprehensive economic partnership model to the world**, building on the strength of the historical and strategic relations between our two countries. This progress can also be attributed to the forward-looking vision of both leaderships and their continuous support to enhancing the prospects for economic and trade collaboration in various priority fields.*



NEWS SNIPPETS

Indian Handicrafts Steal the Show at INDEX 2023 in Dubai World Trade Center



H.E. Abdullah Bin Touq Al Marri, Minister of Economy & Tourism, UAE met G. Kishan Reddy, Union Minister for Culture, Tourism & Development of North-eastern region, Government of India and discussed areas of cooperation in the field of Tourism.



Shri K. Kalimuthu, Consul (Economic, Trade & Commerce), Consul General of India, Dubai, inaugurated India Pavilion at the Hotel Show Dubai. A 45-member delegation of Indian exporters from TEXPROCIL are showcased their products for the entire hotel industry.



CA Ranjeet Kumar Agarwal, Vice President- ICAI met H.E. Sunjay Sudhir, Ambassador of India to UAE and discussed opportunities for Indian Chartered Accountants in UAE.



Dr. Aman Puri, Consul General of India, Dubai & H.E. Abdulaziz Al Nuaimi, Assistant Undersecretary, Ministry of Economy, UAE joined Industry leaders, policymakers & innovators at the **G20 Digital Innovation Alliance International Roadshow** in Dubai.



Indian Institute of Technology (IIT-D) in Abu Dhabi. H.E. Abdulla bin Touq Al Marri, Ministry of Economy, UAE visited Indian Institute of Technology, Delhi and reviewed the progress on IITDelhi- Abu Dhabi project and witnessed entrepreneurship & innovation at IIT-D.



OUR MEMBERS

“SHARAF GROUP SIGNS STRATEGIC MOU WITH TANISHQ

Sharaf Retail to Drive Leading Jewellery Brand’s Growth in the Region

Dubai, United Arab Emirates

Tanishq has signed an MOU with Sharaf Group UAE.

Through this strategic alliance, Tanishq aims to extend its highly focused value offering in gold and diamond Jewellery and utilize Sharaf Group’s Retail expertise to drive their already robust growth story in the GCC. The two entities will kickstart this collaboration with the opening of a Tanishq Showroom in July 2023.



“This partnership with Sharaf Group comes at an exciting time for Tanishq. We have recently opened our 7th store in the UAE with an imminent regional plan for expansion. We are thrilled to be writing this next chapter with a Trusted regional retail stalwart like Sharaf Group and look forward to leveraging each other’s strengths to offer unique value propositions to our

*discerning customers in the region,” said Mr Kuruvilla Markose, CEO-
International Business Division, Titan Company Limited.*



*“Jewellery is a high potential category and as we delved into this new space, we wanted the right partner. When a group like ours with diversified interests ties up with Tanishq, India’s leading Jeweller from the Trusted Tata Group, it bodes well for the future since we share common values of Trusted transparency, long term commitments to our customers, partners and stakeholders and guaranteed commitment for service and quality added **Maj. Gen. (Retd.) Sharafuddin Sharaf, Vice Chairman, Sharaf Group.***

“We already have association with Tata Group and Tanishq is a further extension of our partnership based on mutual respect and traditional value systems. With a long history of Reliability in Retail of Consumer electronics, Fashion and Outdoor adventure, a partnership now with Tanishq gives us an

opportunity to enter lifestyle segment and create value for our loyal customers”, added Mr Yasser Sharaf, the Vice President Sharaf Group.

About Tanishq

Tanishq, India’s most-loved jewellery brand from the TATA Group, has been synonymous with superior craftsmanship, exclusive designs, inimitable customer service and guaranteed product quality for over two decades.

At Tanishq, jewellery is not just a product, but a manifestation of artistry and our exquisite range of gold & diamond jewellery strikes the perfect balance between traditional charm and contemporary appeal. With designs that capture the beauty and celebration of special occasions, Tanishq aims to be an integral part of every woman's journey. Attesting to this commitment towards excellence, in 2019, Tanishq has been awarded the title of The Most Trusted Jewellery Brand in India by the Trust Research Advisory.

Tanishq currently has a presence of 410 stores and is India’s most trusted jewellery brand with an extremely high brand recall.

About Sharaf Group

Sharaf Group is a diversified business with a growing presence in the Middle East, Africa, the Indian Subcontinent and Asia. The Group is headquartered in Dubai and operates in 54 countries in the areas of Shipping, Logistics, Supply Chain, Retail, Travel & Tourism, Information Technology, Financial Services, Hospitality & Real Estate, Education and Manufacturing.



ANDHRA PRADESH MARITIME BOARD SECURING HIGH HOPES ON 4 GREENFIELD PORTS

Andhra Pradesh boasts the second-longest coastline in India, spanning 974 km. This coastline offers a significant advantage with deeper depths of 20m available within 2-4 Km of the shore in many locations, reducing the need for extensive dredging and lowering operational costs for ports. Currently, Andhra Pradesh has five operational state ports: Krishnapatnam Deep-water Port, Kakinada anchorage port, Kakinada deepwater port, Gangavaram Deep-water Port, and the captive port in Rava, which supports offshore facilities in the KG Basin.



Following the bifurcation of the State into Andhra Pradesh and Telengana, Andhra Pradesh was left to be primarily an agrarian state. To accelerate industrialization, the State Government took the initiative to build three new Greenfield ports: Mulapeta in the north of the State, Machilipatnam in the center, and Ramayapatnam in the south. APMB aims to create industrial complexes in all of its Ports, emphasizing that a Port should be more than just berths.

These Ports are envisaged as industrial complexes in themselves, with large areas of land near the ports, ranging up to 10,000 acres, being acquired by the Maritime Board for allotment to Industries. This dedicated Port proximal area will allow cargo-intensive businesses to establish their facilities and leverage the Port infrastructure, reducing logistics costs to them and encouraging industrial growth in the State.

In addition to the State developed Greenfield Ports, Kakinada SEZ Port is being developed under the public-private partnership (PPP) model at Kakinada. Notably, all the

Ports in Andhra Pradesh have above 15 meters draft, with some reaching over 17 meters. This deep draft capability enables larger vessels to call at these ports.

The area acquired by the APMB near the Ports is suitable for all kinds of maritime-related investments. All of APMB's ports are well connected via more than one mode of transport. This provides an opportunity for the development of MMLPs, ICDs, FTWZs and other logistics infrastructure. With the 2nd longest coastline in India, the State offers great opportunities for investment in Coastal shipping, Ro-Ro, Ro-PAX services, and Marine Tourism projects. The Board also is interested in Green Energy investments involving Green Hydrogen/Ammonia Production, Storage, and Transport.



Besides the Port infrastructure, the State is also promoting Fisheries and Aquaculture. There are investment opportunities in Deep Sea fishing, Seafood processing, Cold storage, Cold chain logistics, Retail infrastructure, Fish meal plants, Ice plants etc.

Overall, these strategic initiatives by the Andhra Pradesh Government and the APMB aim to leverage the state's advantageous coastline, promote industrialization, attract new businesses, and establish Andhra Pradesh as a key maritime hub in India.

About Andhra Pradesh Maritime Board

Andhra Pradesh was amongst the first maritime states to recognize the imperative need for increased modernized port infrastructure and the role that private sector would be required to play in developing the same.

As a thriving EXIM cargo hub, Andhra Pradesh already enjoys a leading position with a major port in Visakhapatnam and 15 other notified state ports, spread in 8 coastal districts. **APMB** has drawn up fresh plans for port-led development with 3 new Greenfield ports to ensure comprehensive realization of coastal hinterland potential.

LULU FASHION STORE AND LULU DAILY, BENGALURU HONOURED FOR THE BEST STORES IN INDIA AT THE ASIA VM RD AWARDS, MUMBAI

Quite rightly termed the 'Oscar of retail design in India', the much-awaited Instore Asia VM & RD Retail Awards were won by the Lulu Group in two categories.



LuLu Daily has snatched the award in the Best Food and General Merchandise category, and Lulu Fashion Store Bangalore as the Best Fashion Department Store.

Lulu was chosen for this award thanks to its notable contribution to all aspects of retailing, from store layouts, product range, operations excellence, and geographical presence to incorporating advanced tech innovations and marketing. The jury also noted that both LuLu Daily and LuLu Fashion store present an innovative shopping experience.

At the ceremony held at the Jio World Convention Centre in Mumbai, the awards were given to Mr Syed Athik, the commercial manager of LuLu Bengaluru.

More than 200 nominations were received from retailers in India in 23 categories. Prominent Personalities Including Ashish Deshpande, Designer from the National

Institute of Design; Mr Matthew Brown, Owner, and Founder of Echo Chamber; Ms Angela Kreutz, Social Scientist; Blocher Partners; Mr Shanoo Bhatia, Founder Director, EuMo Design Intelligence; And others among the 25 members of the jury panel.



Among them, 112 nominations were selected for the final round. The other award winners in different categories included Reliance Retail, Aditya Birla Fashion and Retail, Trend, Titan, Shoppers Stop, Fab India, Azorte, Adidas, Puma, and Jockey.

It was the fourteenth edition of the Instore Asia award. The jury panel also noted that Lulu Daily's collection of fresh produce, vegetables, fruits, and dairy products sourced directly from Karnataka's agricultural sector, is commendable.

About LuLu Group

LuLu Group is a highly diversified conglomerate with successful business entities in strategic locations worldwide. Founded by the acclaimed business visionary Mr Yusuff Ali M.A, LuLu Group has become a key contributor in the Gulf region's economic standing with an annual turnover worth USD 8 billion.

Headquartered in Abu Dhabi, the capital of the United Arab Emirates, it is a world-renowned purveyor of an international business portfolio that ranges from hypermarket operations to shopping mall development, manufacturing and trading of goods, hospitality assets, and real estate. LuLu Group mainly operates in 23 countries located across the Middle East, Asia, US, and Europe.

BUZZWORTHY THEME

UAE CORPORATE TAX LAW



On 10th October 2022, the Corporate Tax Law appeared in the Official Gazette (becoming legally effective 15 days later). On 9th December 2022, the UAE Ministry of Finance (“MoF”) published the full text of the law Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the “Corporate Tax Law”, the “Law”).

This means businesses will be subject to UAE Corporate Tax (“Corporate Tax”) from the beginning of their first financial year that starts on or after 1st June 2023. Per the Cabinet of Ministers Decision No. 116 published on 16th January 2023, a standard rate of 9% (nine percent) will apply to taxable income exceeding a threshold of AED 375,000, and a rate of 0% (0 percent) will apply to taxable income not exceeding that threshold.

Explanatory Guide on Federal Decree-Law No. 47 of 2022 on the
Taxation of Corporations and Businesses

UPCOMING ACTIVITIES



14th - 16th June 2023



15th - 17th June 2023

India Gas Infrastructure Conference 2023 (IGIC 2023)

10th July 2023



27th - 28th July 2023



3rd - 5th August 2023



5th – 7th September
2023



3rd – 5th November
2023



13th – 17th November
2023



18th – 21st January
2024



UIBC

Abetting UAE-India Alliance

ABOUT US

UAE-India Business Council (UIBC) is the only Official Joint Business Chamber set up by both the Governments for promoting economic synergy between the UAE and India. UIBC was formally launched by His Highness Sheikh Abdullah bin Zayed Al Nahyan, UAE Minister for Foreign Affairs and Smt. Sushma Swaraj, Hon'ble Minister of External Affairs of India during 11th Session of the India-UAE Joint Commission Meeting on 3rd September 2015 in New Delhi.

UIBC aims to create an inclusive bilateral trade environment between UAE and India by linking businesses from both the countries and supporting long term commercial partnerships for developing strategic relationships between businesses and government officials from both the countries.

UIBC acts towards promoting investment promotion and business collaborations / JVs between UAE and Indian businesses by organizing B2B networking meetings, policy forums and investment focused events, delegations, and other facilities required to succeed. It serves to provide a voice and visibility to the various stakeholders in UAE-India economic space and work towards promoting trade and investment, job creation, innovation, inclusion, and entrepreneurship between the UAE and India.

OUR MISSION

- ❖ To act as a catalyst engaged in exchange of ideas intended to promote the economic synergy between the UAE and India
- ❖ To serve as the direct link between business and government leaders of both the countries
- ❖ To work towards providing the critical first 'home-away-from-home' with a network of Government, Policy Makers, Business Leaders, and Industry contacts supported by highly skilled secretariat
- ❖ Providing a voice and visibility to the various stakeholders in UAE-India economic space
- ❖ To work towards promoting trade and investment, job creation, innovation, inclusion, and entrepreneurship between the UAE and India



UAE-India Business Council (UIBC)

11th floor, One Horizon Center
Golf course Road, DLF Phase V, Sector- 43
Gurugram – 122002
E: office@uipc.org; uipc@uipc.org
W: www.uipc.org



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