

NEWSLETTER



ISSUE TWO



TABLE OF CONTENTS

<i>Director's Message</i>	03
<i>Two Years of the CEPA: A Game Changer for Indian Exporters</i>	04
<i>UICC Business Events</i>	06
<i>Emirate In Focus: Ras Al Khaimah (RAK)</i>	10
<i>UAE-India Latest News</i>	11
<i>Women in Business</i>	12
<i>Business In Focus: Manishankar Oils</i>	14

Director's Message

It is a pleasure to share the second edition of the UAE-India CEPA Council (UICC) quarterly newsletter. Since the Council's launch in January 2024 at Vibrant Gujarat, rapid progress has been made in ensuring UAE and Indian businesses tangibly benefit from the Comprehensive Economic Partnership Agreement (CEPA).

Since our last edition of the newsletter, we have successfully hosted several roundtables and other events in collaboration with various business chambers across India. On 24 April, we organised a roundtable in Jaipur in collaboration with the Confederation of Indian Industry (CII). This was followed by an event in Mumbai on 1 May to celebrate the second anniversary of the CEPA implementation. On 9 May, we held another roundtable in Kolkata, partnering with the UAE Embassy in Delhi and the Indian Chamber of Commerce (ICC), during which we also signed an Memorandum of Understanding (MoU) with the ICC to enhance our cooperation in the coming months. After which 22 May, we collaborated with the Bihar Industries Association (BIA) to host an agriculture investment roundtable in Patna. Most recently on 26 June, we again collaborated with the ICC to host a business roundtable in Bhubaneswar.

These events provided opportunities for Indian businesses of all sizes to connect directly with myself, key UAE private sector figures, and H.E. Dr. Abdunasser Alshaali, the UAE Ambassador to India. Through these discussions, we have gained critical insights into the needs and aspirations of Indian businesses and explored ways to leverage the vast potential of the UAE-India economic partnership.

Looking ahead, the Council is committed to playing an even greater role in shaping the UAE-India bilateral partnership. We have a full calendar of events planned for 2024, aiming to reach even more Indian businesses across the entire country.

I welcome you all to engage closely with the Council. We are deeply committed to supporting your business goals, and to providing advice and guidance in overcoming any challenges or obstacles you may face. I look forward to working directly with you, and ensuring the UAE's relationship with India maintains its current positive trajectory.

Ahmed Aljneibi

Director, UAE-India CEPA Council





Two Years of the CEPA

A Game Changer for Indian Exporters

1 May 2024, marked the second anniversary of the implementation of the UAE-India Comprehensive Agreement (CEPA). Over this period, the CEPA has played a tangible role in enhancing bilateral economic, trade, and investment ties between the two countries. Significantly, since the implementation of the CEPA, total trade between the UAE and India has increased by 14.76 per cent, with UAE imports to India expanding by 7.09 per cent, and Indian exports to the UAE rising by 27.03 per cent.

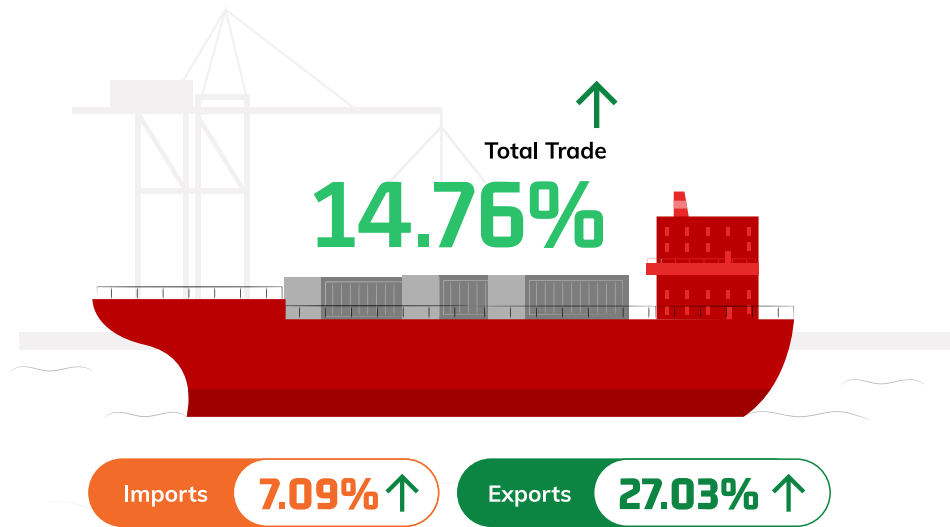


Fig 1: Growth in Trade between the UAE and India post the implementation of the CEPA

Source: Niryat Portal, Ministry of Commerce and Industry, Government of India

Without question, the UAE-India CEPA is proving to be a game changer for Indian exporters, with India’s trade in goods to the UAE having risen from USD 28.04 billion (FY 2021-22) to USD 35.62 billion (FY 2023-24). With the continued elimination and reduction in tariffs, both the UAE and Indian Governments are confident the positive trajectory in trade ties will continue apace.

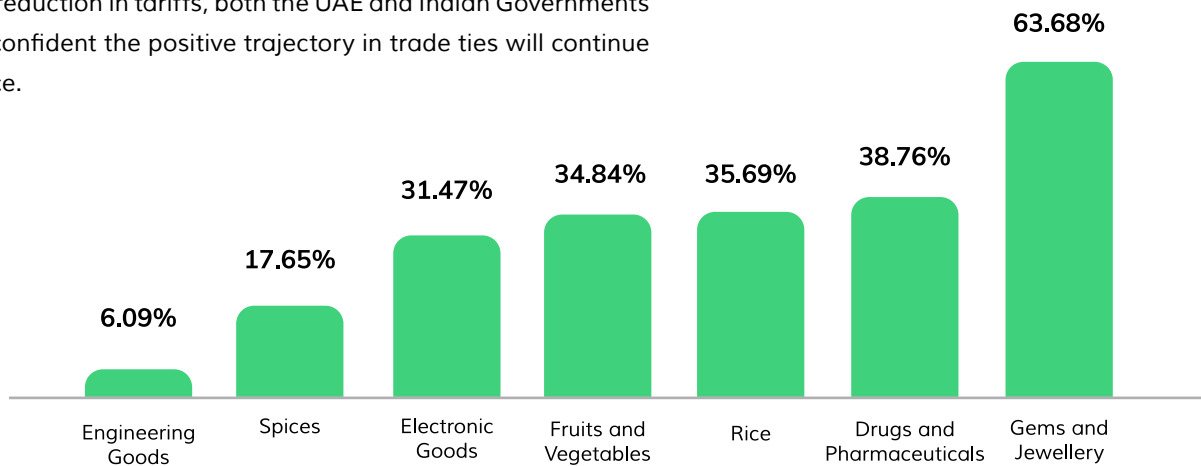


Fig 2: Percentage Growth in Exports from India in Key Commodities

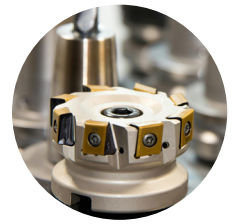
Source: Niryat Portal, Ministry of Commerce and Industry, Government of India

The UAE-India CEPA already stands as one of the most utilised free trade agreements signed by India, due to the highly complementary nature of the two nation’s economies. Across a range of Indian export sectors, strong growth in trade to the UAE has been witnessed, with the gems and jewellery, drugs and pharmaceuticals, and agricultural sectors benefiting significantly from duty-free access to the UAE.

Growing Non-Oil Bilateral Trade

Analysis of year-on-year growth in UAE-India trade statistics highlights the changing composition of the trade basket between the UAE and India, with a decreased reliance on hydrocarbons as the key commodity shaping trade ties between the two countries, post the implementation of the CEPA. In FY 2023-24, India's non-oil exports to the UAE rose by 22.6 per cent, outpacing total exports (including hydrocarbons) to the UAE, which grew by 12.7 percent. During this same period, UAE non-oil imports to India rose by 17.8 per cent, far outpacing the import of hydrocarbons.

Overall, India's total non-oil trade with the UAE registered an increase of 20.1 per cent, rising from USD 49.73 billion in FY 2022-23 to USD 59.72 billion in FY 2023-24. The bilateral target of achieving USD 100 billion in non-oil trade by 2030, remains firmly on track.



Case Study

The CEPA's Impact on India's Gems and Jewellery Sector

Arguably, the biggest beneficiary of the CEPA has been India's gems and jewellery sector. In FY 2023-24, while overall exports of gems and jewellery from India to the rest of the world declined by 13.83 per cent, exports to the UAE increased by 39.58 per cent. A major factor behind this expansion is the fact that tariffs on Indian gems and jewellery products have been reduced to zero under the CEPA.

India's key gems and jewellery commodities exported to the UAE, include gold jewellery, and cut and polished diamonds, whereas the main import commodities from the UAE are rough diamonds and gold bars. Export complementarity exists between both countries as India exports finished jewellery products and polished diamonds to the UAE, and in turn imports rough materials like gold bars and rough diamonds from the country.

This demonstrates the vast potential for both countries to further enhance bilateral trade and investment in this sector by combining their respective strengths and resources. While India can become a strong manufacturing base for the UAE, with its vast pool of artisans, large production hubs and export competitiveness, the UAE can become a retail and distribution centre for India to supply its gems and jewellery products to different parts of the world. With the UAE serving as India's third-largest market for Indian gems and jewellery, there remains considerable potential for further growth and mutually beneficial opportunities for UAE and Indian businesses operating in this sector.



UAE-India CEPA Council Business Events

To fulfil its objective of enabling Indian businesses to expand their investment, economic, and trade ties with the UAE, the UICC continues to implement an ambitious calendar of events throughout India. These events aim to encourage open dialogue and facilitate a direct link between Indian businesses and relevant UAE government and private sector stakeholders.

UICC events are focused on Tier Two and Tier Three Indian cities, which are considered the prime movers behind the UAE-India economic, investment, and trade relationship. Over recent months, the UICC has undertaken business roundtables in Jaipur, Kolkata, and Patna, and participated in a celebration of the two-year anniversary of the CEPA in Mumbai.

Jaipur Roundtable

On 24 April 2024, the UICC organised a business roundtable in Jaipur, in collaboration with the Confederation of Indian Industry (CII). Participants consisted of Jaipur-based exporters from a diverse range of industries, including chemicals, software, renewable energy, and finance, among others. The event not only served as a platform to discuss opportunities for businesses in Jaipur to benefit from the CEPA but also to provide investment insights with respect to the Emirate of Ras Al Khaimah (RAK). Alongside Mr. Ahmed Aljneibi, the UICC Director, several guest speakers from the Rulers Office of RAK, the RAK Economic Zone (RAKEZ), the RAK Start-up Incubator, Al Marjan, and RAK Ceramics participated in the roundtable event. Speakers from RAK provided the audience with a broad overview of the Emirate, highlighting its various economic and investment strategies, as well as insights into the various incentives offered to Indian companies seeking to establish operations in the Emirate.



Mumbai CEPA Anniversary

On 1 May 2024, the UAE Embassy in India, in collaboration with the UICC, held an event in Mumbai to celebrate the second anniversary of the implementation of the CEPA. Hosted by H.E. Dr. Abdalnasser Alshaali, the UAE Ambassador to India, the event was attended by eminent dignitaries from various strategic sectors. During the event, H.E. Dr. Alshaali underlined the important role Indian businesses continue to play in guiding the UAE-India bilateral partnership, and emphasised the exciting potential for even greater economic cooperation between the two countries in the years to come.



Kolkata Roundtable

On 9 May 2024, the UAE Embassy in India hosted an interactive session in collaboration with the UICC and the Indian Chamber of Commerce (ICC) in Kolkata, West Bengal. The event marked the first official visit to West Bengal by H.E. Dr. Abdalnasser Alshaali, the UAE Ambassador to India, and brought together prominent business leaders from the electrical, healthcare, finance, and education sectors. The event also witnessed the signing of an MoU between the UICC and ICC, which will lay the platform for enhanced cooperation between these two organisations in the period to come.



Patna Roundtable

On 22 May 2024, the UICC organised a roundtable in collaboration with the Bihar Industries Association (BIA) in Patna. The objective of the roundtable was to discuss the various opportunities available for Bihar-based enterprises, particularly in the agriculture and food processing sectors with respect to the CEPA. There were over 50 company representatives in attendance, with participants ranging from established companies to startups. The event also witnessed the launch of a report commissioned by the UICC, entitled “The UAE and Opportunities for Bihar’s Agricultural Sector”, which outlined the significant role Bihar can play in further catalysing cooperation between the UAE and India in the agriculture and food security sectors. Following the launch of the report, Mr. Aljneibi led a discussion on the potential for agricultural exports from Bihar to the UAE. Prior to the event, Mr. Aljneibi took the opportunity to visit a number of food processing facilities, with in-depth discussions taking place with executives from Amrapali Foods, Rakesh Spices, and AFP Manufacturing.



Bhubaneswar Roundtable

On 26 June 2024, the UICC organised a business roundtable in Bhubaneswar led by H.E. Dr. Abdunnasser Alshaali, the UAE Ambassador to India. The event was held in collaboration with the ICC and brought together various Bhubaneswar - based exporters from a diverse range of industries, including healthcare, real estate, automobiles, education, steel, and agriculture. The event served not only as a platform to discuss opportunities for businesses in Bhubaneswar to benefit from the CEPA but also featured expert sessions by representatives from the Ras Al Khaimah Economic Zone (RAKEZ) and DP World. The RAKEZ session provided a comprehensive overview of the various incentives available to Indian companies looking to establish operations in Ras Al Khaimah. Meanwhile, the DP World session showcased the company's extensive operations in India and offered insights into their latest project, Bharat Mart, which is tailored specifically for Indian exporters seeking to expand into the UAE.





EMIRATE IN FOCUS

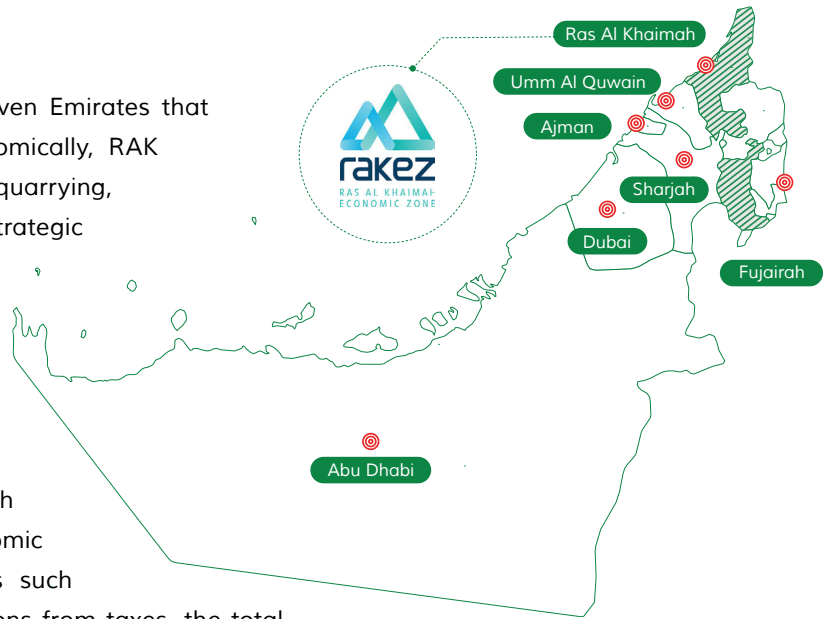
Ras Al Khaimah (RAK)

Ras Al Khaimah (RAK) is one of the seven Emirates that form the Federation of the UAE. Economically, RAK is a regional leader in the fields of quarrying, manufacturing, and tourism. RAK's strategic geographical location provides companies with easy access to fast-growing markets across Europe, North Africa, the Middle East, and South Asia.

International businesses that establish operations in RAK's special economic zones (SEZs) enjoy several advantages such as the potential to be provided exemptions from taxes, the total repatriation of capital and profits, and land leases at highly concessional rates.

RAK has earned a reputation as a business-friendly, world-class investment environment. The cost of living and doing business in RAK is 25 to 50 per cent lower than the UAE average, allowing companies to maximise their return on investment.

RAK has three SEZs, including the Ras Al Khaimah Economic Zone (RAKEZ). RAKEZ is an investment destination of choice for more than 38,000 companies from over 100 countries, representing more than 50 industry sectors. Over 5,300 of these companies have Indian shareholders.



“Opening the door to foreign trade is a hallmark of Ras Al Khaimah’s past, present and future. Today we honour our heritage by welcoming the investors of the future.” —

His Highness Sheikh Saud bin Saqr Al Qasimi

UAE Supreme Council Member and Ruler of Ras Al Khaimah.





UAE-India

Latest News



India Welcomes the UAE to BRICS

On 10 June 2024, India welcomed the UAE, alongside Egypt, Iran, Saudi Arabia and Ethiopia as members of BRICS.



The UAE-India CEPA Council Signs MoU with Indian Chamber of Commerce

On 9 May 2024, the UICC inked an MoU with the ICC to promote trade between the two countries.



UAE and India Defence Cooperation

A new deal between UAE-based defence and advanced technology firm EDGE Group and India's Adani Defence and Aerospace was signed in the fields of cyber warfare, drones, and weapons research.



The UAE Seeks to Expand Scope of Trade under the CEPA with India

Commenting on the potential of the CEPA, Feryal Ahmadi, COO of Dubai Multi-Commodities Centre, emphasised the importance of expanding trade ties with India in the commodities and critical mineral sectors.

AI Etihad Payments Partnership with India's NPCI International



Developed in partnership with India's NPCI International, the Central Bank of the UAE's subsidiary, AI Etihad Payments launched a new domestic card scheme, known as "Jaywan". Jaywan intends to increase the availability of payment options with a specific focus on e-commerce, digital transactions, and financial inclusion.

Sharjah Government Highlights Opportunities for Indian Companies



On 15 April 2024, representatives from the Government of Sharjah, Sharjah Airport International Free (SAIF) Zone, and industry representatives from Mysuru undertook discussions on investment and trade opportunities.

Women in Business

A key objective of the UICC is to support women entrepreneurs involved in, or seeking to expand their involvement in the UAE-India bilateral partnership. This section shines a spotlight on the journeys of our women entrepreneur members, offering a candid glimpse into their experiences, challenges, and unique perspectives they bring to the business world.

Mrs. Ila Mittal is the Director of Bikaner Elite which is a food service retail chain founded in Patna. The company operates six outlets in the eastern region of India and employs nearly 600 people. Established in 2010, Bikaner Elite offers a wide variety of sweets and bakery items. The company emphasises innovation and customisation, providing customers with over 400 product options. Mrs Mittal is also the Vice-President of the Women Entrepreneur Cooperative Society (WECS), and serves as a faculty member at multiple skill development programs for women entrepreneurs.



Mrs. ILA MITTAL
(Attended the Patna Roundtable event)

Q1: Tell us about your journey and the work you do.

My family background is in the service class, and I witnessed the limitations of salaried income early on. This experience sparked my interest in business ownership for financial freedom. While I initially pursued fashion design after graduation, I eventually joined my husband's food business and after a few years we started Bikaner Elite together. While we were always in the food business we recognised a gap in the market for high-quality sweets, and decided to expand into the area. Our vision is to bring the best sweets from across India to Patna.

Q2: What inspired you to pursue a career in business?

I have had a passion for business since a young age. However, after having my son, childcare responsibilities made traditional employment challenging. My husband encouraged me to pursue my own business, which would allow me more flexibility.

Q3: What were the biggest challenges you faced and how did you overcome them?

Societal expectations were a hurdle. Initially, I could only work part-time when my children were young. I also addressed my knowledge gap by taking courses in bakery and product development. We faced challenges in gaining acceptance for new sweets in a market accustomed to traditional options. Finding skilled labour was another obstacle, as many local workers preferred migrating for work. We addressed this by sourcing high-quality ingredients and specialised chefs from other regions.

Q4: What advice would you give young women starting businesses?

Today's resources are abundant, with government support for startups readily available. My advice is to thoroughly research your chosen business. Don't rely solely on staff, having your own knowledge is crucial for daily operations and effective management.

Q5: What opportunities do you see for your business in the UAE market?

We've developed modified atmosphere packaging to extend shelf lives of our products for potential export. We have future plans to expand into the UAE. The large Indian diaspora there presents a significant market for traditional Indian sweets. We're extremely keen on participating in the various food fairs and also looking closely at the Bharat Mart project for further opportunities.

Dr. Alka Gaur is an entrepreneur with a background in dentistry (BDS, MDS - Oral Surgery and Implantology). She is the President of the Federation of Rajasthan Trade and Industry's (FORTI) Women's Wing. Dr. Gaur also owns Souvenir Peppermint, a 60-room boutique hotel in Jaipur, Rajasthan. In addition, she designs and sells custom jewellery using certified diamonds and gemstones. She is passionate about supporting artisans and reviving nearly-extinct Rajasthani art forms through the Jaipur Artist Festival, an initiative she started in 2022 to give a platform to local artisans from the state.

Q1: Tell us about your journey and the work you are doing.

My journey began with dentistry, but my entrepreneurial spirit led me to explore other ventures. I manage a successful dentistry clinic, leverage my business acumen in real estate, and recently launched a custom jewellery line. Through FORTI, I advocate for women entrepreneurs and connect them with government resources. The Jaipur Artist Festival is my initiative to empower Rajasthani artisans and preserve their heritage.

Q2: What inspired you to pursue a career in business?

Fulfilling my father's dream of becoming a doctor ignited my passion for pursuing a career in the medical field. My husband's unwavering support and my desire to make a bigger impact fuelled my entrepreneurial journey. Even though I had a successful practice in dentistry, my desire to utilise my spare time led me to the hospitality industry, which was initially a challenge but ultimately proved to be rewarding as I had to step out of my comfort zone and understand the sector from scratch. Eventually, my love for design and jewellery made me pursue that path professionally as well.

Q3: What challenges have you faced as a woman entrepreneur, and how have you overcome them?

Early in my career, the dentistry field was male-dominated. However, I persevered through hard work and dedication. While starting my businesses, I encountered societal expectations that sometimes limited women's roles, the biggest being the thought process that women simply do not need to work. I could address these challenges by focussing on my vision and staying true to my passion for my work.

Q4: How do you see the business landscape changing for women?

There's a growing acceptance of women in leadership roles, but there's still room for improvement. Initiatives promoting financial literacy and government programs specifically designed for women entrepreneurs are essential.

Q5: What initiatives or policies do you believe are important for supporting women in business?

Government mandated sessions on financial literacy, export/import procedures, and information relating to existing government policies are crucial. I meet many



Dr. ALKA GAUR
(Attended the Jaipur Roundtable event)

women who are extremely keen to start and expand their businesses, but they lack the resources and the knowledge on how to take the first step. Although the Indian and State Governments have launched many schemes, the execution of these programs requires improvements in order to effectively reach the women they strive to benefit.

Q6: What are your thoughts on expanding your business ventures to the UAE market?

The UAE presents exciting opportunities, particularly in the medical sector. I am interested in exploring possibilities for exporting medical equipment or even medical services. Understanding government subsidies and support programs for women entrepreneurs in the UAE would be crucial for such an endeavour.



BUSINESS IN FOCUS

Manishankar Oils



As part of its continual efforts to promote the crucial role that businesses both large and small play in supporting the broader UAE-India partnership, each issue of the UICC newsletter provides an in-depth overview of a UAE or Indian company that is making a positive contribution in driving the bilateral relationship forward.

Manishankar Oils boasts a rich history marked by exploration, discovery, and achievement. Founded in 1845 by visionary entrepreneur Shri Amar Chand Murarka, the company has grown from humble beginnings to become a renowned producer of high-quality edible oils.



Manishankar Oils is dedicated to environmental stewardship and social responsibility, striving to establish a collaborative effort for a healthier food system that nourishes all.

Manishankar Oils is committed to the responsible sourcing, transformation, and global delivery of the finest agricultural products. The company promotes biodiversity and fair labour practices throughout its supply chain. By transforming crops into finished products, Manishankar Oils ensures

that consumers can have confidence in the quality of the food they consume.

The company's brands, Kabira and Kisan, exemplify Manishankar Oils' exceptional skills and unwavering dedication to quality. Under the leadership of Director Dr. Manoj Murarka, whose research in edible oils has garnered numerous accolades, Manishankar Oils has received the Government of India's National Award, the Udyog Ratan Award from the Government of Rajasthan, the title of "Mustard Monarch" from the Global Oil Fertility Council (awarded twice), the title of "Mustard Man" by the Government of Rajasthan, and recognition from various countries and institutions. Manishankar Oils was also featured on the popular television program Shark Tank India.



Notably, Manishankar Oils is the first and only edible oil company to be ZED Gold Certified by the Government of India.

The company is actively exploring opportunities to expand its footprint in the UAE market. In the coming years, Manishankar Oils aims to introduce new product lines, including organic and cold-pressed oils to cater to evolving consumer preferences. The company is also in discussions to potentially expand its manufacturing infrastructure in collaboration with UAE partners.





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