



Doha Bank CEO focuses on GCC-India trade prospects

Doha Bank and the Indian Embassy co-hosted a business meeting for the "Vibrant Gujarat 2015" delegation from India on Wednesday at Doha Bank Auditorium in West Bay. Indian ambassador Sanjiv Arora accompanied the business team led by Gujarat Industrial Development Corporation vice chairman and managing director Bidyut Behari Swain.

During the meeting, Doha Bank chief executive officer Dr R Seetharaman gave his outlook on the global economy:

"The US economy is recovering and the Federal Reserve has reduced its monthly stimulus, which will end in October 2014. The Fed has kept interest rate hike options open and will monitor incoming information on labour markets and inflation to determine appropriate stance of monetary policy," he said.

Seetharaman added that the euro-area economy stagnated in the first half of 2014 and the European Central Bank has indicated further easing measures to stimulate the recovery. "The Bank of Japan intends to keep pursuing its aggressive monetary easing policy

to completely eliminate deflation," he said.

Seetharaman said India's GDP grew at 5.7% in the first quarter of 2014-15 to exceed expectations. The manufacturing sector posted a 3.5% growth. India's economic growth was at 4.7% in 2013-14 and the consumer price index-based inflation rose to 7.96% in July 2014.

India's current account deficit (CAD) for the fiscal first quarter - April to June - narrowed sharply to 1.7% of gross domestic product from 4.8% of GDP in the corresponding period of 2013-14. India's fiscal deficit during the 2013-14 fiscal year was equivalent to 4.5% of GDP and it is targeting 4.1% of GDP in the current fiscal year.

Qatar's economy is likely to grow at 6.3% this year. Growth in non-oil and gas sector is going to drive Qatar's economic growth, he stressed, Seetharaman said.

Seetharaman also highlighted the recent reforms being carried out in India. He said, "As part of efforts to promote manufacturing, government has opened railway infrastructure to 100% foreign direct investment (FDI) and raised the overseas funding cap

In defence to 49% from 26%." He also highlighted the investment trends and bilateral relationships between India and the GCC.

"Foreign direct investment inflows to India during 2013-14 was \$36bn. India received \$70bn through foreign remittances in 2013 and the GCC is one of the key contributors to foreign remittances. The GCC-India trade was close to \$150bn in 2013-14. The UAE's bilateral trade with India was close to \$60bn in 2013-14. Bilateral trade between Qatar and India during 2013-14 exceeded \$16bn," Seetharaman said.

He said Qatar is the largest supplier of liquefied natural gas (LNG) to India and that many Indian companies such as L&T, Tata Projects, Voltas, and Punj Lloyd have active presence in the Qatari market through partnerships. Arora, in his keynote address, gave insight into how the State of Gujarat progressed in recent times and the importance of "Vibrant Gujarat 2015." During the meeting, Swain dwelt upon Gujarat's economy and "Vibrant Gujarat 2015." He also gave insight on the key indicators of Gujarat such as trade, foreign direct investment, and connectivity.



Seetharaman (left) with Arora (centre) and Swain at the business meeting.