

Trade between Qatar and India set to grow: Doha Bank CEO

THE PENINSULA — DOHA

Bilateral trade between Qatar and India is set to grow in the coming years, with both countries taking advantage of the growing number of investment opportunities in the two economies, Doha Bank CEO Dr. R. Seetharaman (pictured) has said.

Speaking at the Almus Rupee Money Conference 2020 which was hosted by the National Stock Exchange of India Limited and Almus Risk Consulting from December 15-16, Seetharaman said Qatar and India have set up a task force to identify projects in India for investments, which was agreed between the Minister of State for Energy Affairs H E Saad Sherida Al Kaabi and India's Oil Minister H E Dharmendra Pradhan.

"India's bilateral trade is set to grow with Qatar. This is given Qatar's world class seaport, airport, Free Zones, a new Public-Private Partnership model and an approved Foreign Investment Law to promote non-Qatari investments," he added.

During the event, Seetharaman noted that the total bilateral trade between the GCC and India stood at \$121bn.

He said Qatar's major exports to India include petrochemicals, LNG, fertilisers, sulphur and iron pyrites, while Qatar's major imports from India



include accessories, manmade yarn, fabrics, made-ups, cotton yarn, transport equipment, machinery and instruments, manufacture of metals, ores and minerals among others.

Many Indian companies such as L&T, Tata Projects, Voltas, and Punj Lloyd have active relationships in the Qatari market through partnerships, agencies and some have even set up their offices in the Qatar, he said, and added that the Indian population in Qatar now reaches nearly 750,000. Citing the World Bank report in April 2020, he said remittances to India from the GCC are expected to fall by 23 percent to \$64bn in 2020 from \$83bn in 2019.

"On the banking side, Doha Bank has three full-fledged banking branches in India. The Qatar National Bank (QNB) has also received approval for retail operations. In January 2019, Qatar Investment Authority (QIA) has invested \$200m through a primary equity issuance in Bharti Airtel's arm

Airtel Africa, while in July 2019, BYJU'S (Indian learning app) announced that it has received an investment of \$150m led by Qatar's sovereign wealth fund. The QIA is also investing about \$450m for a 25.1 percent stake in a unit of Adani Transmission. The deal includes a subordinated debt investment by QIA. QIA also eyes up to \$1.5bn stake in India's Reliance Jio Fibre in 2020," he added.

Speaking about the two countries' economies, Seetharaman said that Qatar's economy is expected to contract by 4.5 percent in 2020 and recover by 2.5 percent in 2021.

"Qatar's stock market has surged by close to 0.5 percent YTD (as on closing of December 15, 2020) and has crossed 10,000 levels. Qatar is an AA- rated country and Doha Bank is rated A3 with stable outlook, the country offers low cost of financing and also has a sovereign fund and gold reserves with the central bank which is twice its GDP, reflecting inherent strength of the economy.

"On the other hand, the IMF expects India's GDP growth to bounce back to 8.8 percent in 2021, which is one of the highest in the emerging market and developing economies. The country has also been stable with its credit ratings which is placed currently at investment grade at BBB-," Seetharaman added.