

## Rise in India-UAE trade, SMEs rejoice

by [Jasbir Singh](#) on September 9th 2010 and filled under [Small and Medium Enterprise \(SME\)](#)

In a development that is likely to cheer numerous export-based SMEs that ship their products to the UAE, a recently released report by the Foreign Trade Ministry has revealed that non-oil trade between India and the UAE has increased by 83% during the first quarter of 2010. Significantly, the report also stated that the UAE's trade surplus with India has improved by US\$599 million during this period. Earlier in June this year, UAE Ambassador to India Mohamed Sultan Al Owais had noted that bilateral trade (non-oil) between India and the UAE has increased significantly in recent times. The latest development is expected to encourage more Indian SMEs to explore business opportunities in the UAE to help achieve the US\$96-billion bilateral trade target over the next 5 years. Some of India's major exports to the UAE come from SME-dominated sectors such as gems and jewellery and cotton yarn, among others. Notably, in an endeavour to promote bilateral ties between the two countries, the Union Bank of India (UBI) recently expressed an interest in open a branch in Dubai to facilitate trade activities between India and the UAE and sponsor the financial needs of Indian business units operating in the Middle East. This proposed move augurs well for Indian SMEs intending to expand their businesses to the UAE or any other Middle Eastern country because their financial needs are likely to be addressed better after the setting up of an UBI branch in Dubai.