TRILEGAL

COUNTRY DOSSIER

UAE

September 2022

Country Dossier - UAE

TRILEGAL

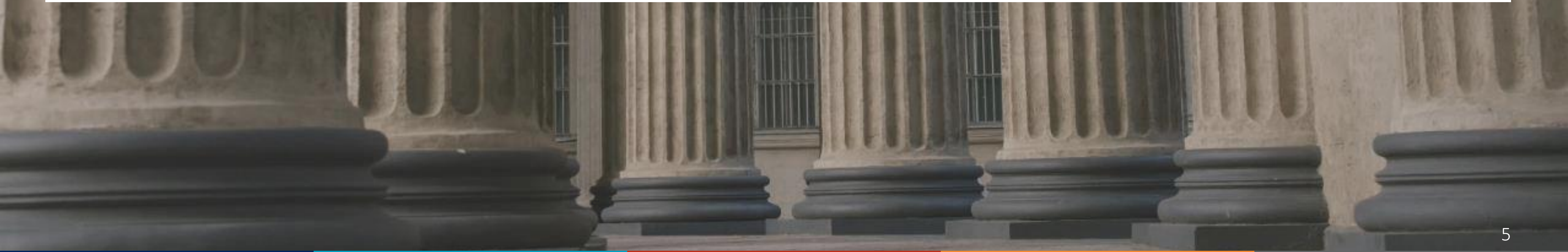
The UAE is the eighth largest investor in India, with an estimated investment of USD 18 billion. The bilateral trade volume between the two countries is pegged at USD 60 billion, making UAE India's third-largest trading partner after China and the US. The recently signed Comprehensive Economic Partnership Agreement (CEPA), which encourages "trade through tariff elimination," is expected to increase the total value of bilateral trade in goods to over USD 100 billion within five years. That said, the bilateral trade pact is India's first in the region and the first comprehensive trade agreement with any country in a decade. The agreement also considers the prospects of digital trade between the two countries and offers service providers an open and non-discriminatory environment for cross-border trade in financial and insurance services. The agreement will help boost the UAE-India remittance corridor from a payments industry perspective, with remittances from the UAE to India likely to reach USD 16 billion this year.

Country Dossier - UAE

TRILEGAL

G2G Initiatives

- The UAE will invest USD 2 billion to develop a series of integrated food parks across India under the framework of the four-nation grouping 'I2U2'. The decision was announced after the leaders of the grouping - Prime Minister Narendra Modi, US President Joe Biden, Israeli Prime Minister Yair Lapid and UAE President Mohammed bin Zayed Al Nahyan -- held their first virtual summit. The investments will help maximise crop yields and, in turn, help tackle food insecurity in South Asia and the Middle East.
- UAE Climate Envoy and Minister of Industry and Advanced Technology Dr Sultan Al Jaber met Union Environment Minister Bhupender Yadav to focus on opportunities within the energy transition and industrial growth. An MoU on climate action was signed to expand cooperation towards accelerated climate action and implementation of the Paris agreement, public-private partnership across renewable power deployment, agriculture efficiency, green hydrogen, sustainable finance, and carbon market development.
- The UAE-India cooperation in climate aims to support India's ambition to achieve 450 gigawatts (GW) of renewable energy installed capacity by 2030 and aligns with the UAE's ambitions to expand its low and zero-carbon energy capabilities.
- India's Commerce Minister Piyush Goyal launched the 'India-UAE Start-Up Bridge' with UAE's Minister of Economy Abdullah Al-Mari at the India-UAE Economic Partnership Summit in Mumbai. The bridge is a one-stop platform, part of the CEPA, to strengthen collaboration to promote start-ups through an exchange of best practices between accelerators, incubators and other such ecosystem stakeholders.



Sectoral Synergies

TRILEGAL

Fintech

- PB Fintech is likely to acquire Dubai-based marketing management company YKNP Marketing Management through PB Fintech FZ-LLC. It will buy a 45-51% stake in the target firm for USD 4 million.

- Beams Fintech Fund is hoping to rope in UAE and Gulf investments to India's fintech sector ranging from remittances, consumer financing or digital wallets. With a target size of USD 120 million and a 'green-shoe' option, Beams' strategy is to invest USD 15 million to USD 20 million in start-ups in their growth stage.

Pharma & Healthcare

- Abu Dhabi Investment Authority is in talks with Aditya Birla Group to invest INR 12-15 billion in the Indian conglomerate's health insurance arm as growth equity. Aditya Birla Health Insurance Co Limited is one of five active standalone health insurance companies with a 14% market share.
- ADIA is set to acquire about 3% in Intas Pharmaceuticals for USD 250-270 million at a valuation of USD 8.5 billion. It will buy the 3% stake from existing investor Temasek Holdings, which currently holds about 10% in the Indian drug manufacturer.

Energy

- Abu Dhabi's renewable energy company Masdar and Indian conglomerate firm Reliance Industries are exploring opportunities for collaboration in green hydrogen, which is a priority for the UAE and India.
- Abu Dhabi Chemicals Derivatives Company (TA'ZIZ) and Reliance Industries signed a shareholder agreement for the TA'ZIZ EDC & PVC chemicals project situated at the TA'ZIZ industrial zone in Ruwais.
- The Competition Commission of India has approved stake acquisition in Tata Power-backed renewable energy subsidiary, Tata Power Renewable Energy. Tata Power had entered into an agreement where Blackrock and Mubadala will pump INR 40 billion for a 10.53% stake in Tata Power Renewables. Tata Power plans to utilise the funds to grow its renewable energy business.
- The UAE's Abu Dhabi National Oil Company and Reliance Industries have signed a framework agreement for upstream collaboration and decarbonisation of operations across the hydrocarbon value chain.

Sectoral Synergies

TRILEGAL

Real Estate

- The Lulu Group is planning to launch nearly 12 malls across India over the next three years. The malls will be spread over 5 million sq ft with an investment of over INR 190 billion.
- Kotak Investment Advisors Limited, the alternative investment arm of Kotak Mahindra Group, has announced the closure of its 12th Real Estate (RE) Fund for investments in office assets in India. KIAL has formed a USD 590-million platform with a wholly owned subsidiary of ADIA for this fund, which will be domiciled in Gujarat's GIFT City.
- IIFL Home Finance Limited has entered into definitive agreements for raising INR 22 billion for a 20% stake from a wholly owned subsidiary of ADIA. This would be one of the largest equity investments in the affordable housing finance segment in India by a financial investor.

Infrastructure

- India's sovereign wealth fund, the National Investment and Infrastructure Fund, will invest around USD 300 million to acquire a 22.5% stake in Hindustan Ports Private Limited, a wholly-owned subsidiary of UAE government-controlled firm DP World. The transaction is subject to customary completion conditions and is expected to close by Q1 CY2023.
- Saudi Arabia's sovereign wealth fund, Public Investment Fund, has tasked Bain and Company to firm up an India strategy to leverage various investment opportunities in the infrastructure sector. The fund is looking to scout for opportunities in India targeting investments in the green energy space.
- Adani Ports and Special Economic Zone Limited has entered into an MoU with Abu Dhabi-based AD Ports Group for strategic joint investments in Tanzania. The agreement between the two entities will provide end-to-end logistics infrastructure and solutions, including rail, maritime services, port operations, digital services, an industrial zone and establishing maritime academies in Tanzania.

Start-ups

- The India-UAE Start-Up Corridor, soon to be launched in Dubai, will target a minimum of 50 validated start-ups based in India and the UAE over five years, with the vision to transform 10 of them into unicorns by 2025.
- Abu Dhabi's sovereign wealth funds are in active negotiations with Think and Learn Private Limited, the parent of Byju's, to be part of the USD 400-500 million fundraise that the company is planning. Qatar Investment Authority is in advanced talks to invest USD 250-350 million in the edtech company. ADQ of Abu Dhabi and International Holding Company (IHC) are also looking to pitch in for the fundraiser.

The information contained in this may address a specific requirement for the recipient and must not be construed as advertisement or solicitation in any form or manner.

For more information, please visit our website [WWW.TRILEGAL.COM](http://www.trilegal.com)