

# **MEI INDIA WATCH**

**(Monthly survey of India's relations with the Middle East)**

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**Compiled by**

**Priyanka Chandra**

## **Political Issues**

### **Iran**

**1. Iran slams India over J&K protests, India hits back, issues demarche**

**New Delhi, Saturday, 2 October 2010**

India lodged a strong diplomatic protest with Iran after its foreign ministry condemned Indian action against protesters in Jammu and Kashmir. These demonstrations had been provoked by an Iranian channel *Press TV*, which showed clips of alleged desecration of the Koran in the US. India banned the channel from being broadcast in J&K. Iranian foreign ministry spokesperson Ramin Mehmanparast had said that to counter such protests could be 'interpreted as supporting acts of sacrilege.' On 18 September Mehmanparast said it was 'perfectly acceptable for Muslims to react to the desecration of the Koran' and called upon the Indian government to show 'self-restraint'.

**Source:** *The Indian Express*, New Delhi

<http://www.indianexpress.com/news/iran-slams-india-over-jandk-protests-india-hits-back-issues-demarche/691411/>

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### **Oman**

**2. Oman hails UNSC seat for India**

**New Delhi, Wednesday, 20 October 2010**

Oman has wholeheartedly welcomed India's election as a non-permanent member of the UN Security Council (UNSC) and hoped it would play a positive role in ushering peace in the Middle East. Oman also wished to see India on the six-nation Gulf Cooperation Council (GCC) so that it could contribute to the collective effort to maintaining peace and security along with other countries with interest in the region. Significantly, Oman and the United Arab Emirates are the two GCC nations that back India's nomination as a permanent member in an expanded UNSC.

**Source:** *The Hindu*, Chennai

<http://www.thehindu.com/news/article840049.ece>

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## Syria

### **3. In a first, Patil to visit Syria in Nov**

**New Delhi, Friday, 29 October 2010**

Keen to enhance its strategic engagement with the Middle East President Pratibha Patil would be going to Syria- the first-ever Indian President to visit the country- later in November. Prime Minister Atal Behari Vajpayee had visited Syria in 2003. Patil would also visit UAE during the same trip. The two-nation trip, likely between 21-30 November, is in the process of being finalized by the South Block. A team of officials from the President's Secretariat and Ministry of External Affairs has already returned after a week's preparatory visit to both countries. The President is scheduled to go to Damascus, the Syrian capital, and the commercial city, Aleppo.

**Source:** *The Indian Express*, New Delhi

<http://www.indianexpress.com/news/in-a-first-patil-to-visit-syria-in-nov/704164/>

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## Economic Issues

## Egypt

### **4. Essar in talks with Egypt to set up refinery**

**Cairo, Monday, 25 October, 2010**

The Essar Group has expressed its interest in setting up an oil refinery in northern Egypt at an estimated cost of about US\$ 3.4 billion and talks are on to conduct a feasibility study soon, a senior Egyptian minister has said. The refinery would have a daily production of around 300,000 barrels per day.

**Source:** *The Financial Express*, Mumbai

<http://www.financialexpress.com/news/essar-in-talks-with-egypt-to-set-up-refinery/701928/>

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## Iran

### **5. Iran deal: ONGC Videsh wants sanctions waiver**

**New Delhi, Sunday, 3 October 2010**

ONGC Videsh Ltd (OVL), which is doing business in Iran, wants the Government to ask the US President, Barack Obama, to exempt it from the sanctions currently being enforced against Iran. The US President would be visiting India in November. Following the recent US sanctions on Iran, the Indian hydrocarbon companies doing business or are negotiating deals with Iran, have been asked to seek legal opinion before signing any agreement.

**Source:** *The Hindu Business Line, Chennai*

<http://www.thehindubusinessline.com/2010/10/04/stories/2010100451860100.htm>

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### **6. SBI branches stop Iran companies' dollar transactions**

**New Delhi, Thursday, 28 October 2010**

State Bank of India (SBI) has directed its overseas branches to stop transactions with Iranian entities. An internal circular issued by India's largest bank to its branches in September shows India has also tacitly joined international sanctions against the country orchestrated by the United Nations. The development comes just weeks ahead of US President Barack Obama's visit to India in early November. The state-owned bank took this decision after it discovered a few cases where Iranian entities attempted to break the bank's firewall by using shell entities to purchase US dollars to finance their business.

**Source:** *The Financial Express, Mumbai*

<http://www.financialexpress.com/news/sbi-branches-stop-iran-cos-dollar-transactions/703489/>

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## Israel

### **7. India, Israel to work towards signing FTA**

**Jerusalem, Tuesday, 12 October 2010**

India and Israel have agreed to kick start talks on signing a financial pact in November to promote bilateral trade and lay the ground work for signing a free trade agreement (FTA), a media report said. Israeli Finance Minister Yuval Steinitz met his Indian counterpart Pranab Mukherjee in Washington on the sidelines of last week's semi-annual meeting of the IMF and World Bank, business daily *Globes* reported. The two leaders have agreed to prepare the ground for an FTA, it added.

**Source:** *The Economic Times, New Delhi*

<http://economictimes.indiatimes.com/news/economy/foreign-trade/India-Israel-to-work-towards-signing-FTA/articleshow/6734966.cms>

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## Oman

### **8. Indo-Oman Joint Wealth Fund to be operational by Dec 2010**

**New Delhi, Friday, 22 October 2010**

Calling India's relations with Oman special, Deputy Chairman of India's Planning Commission Montek Singh Ahluwalia said that the Indo-Oman Joint Wealth Fund would be operational by December this year. He was speaking after his meeting with Visiting Foreign Affairs Minister of Oman Yusuf Bin Alawi Bin Abdullah on Thursday [21 October].

**Source:** *The Indian Express*, New Delhi

<http://www.indianexpress.com/videos/business/25/indooman-joint-wealth-fund-to-be-operational-by-dec-2010/3496>

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### **9. Oman to help India in infrastructure projects**

**New Delhi, Saturday, 23 October 2010**

The US\$ 100 million India-Oman Joint Investment Fund would be raised to US\$ 1.5 billion and would be deployed for infrastructure projects in India, according to the visiting Foreign Minister of Oman Yusuf bin Alawi bin Abdullah. India would be invited by the GCC countries in discussions about security issues for the Gulf region. Also Iran, Iraq, Pakistan, US, EU countries, China and Russia would also be invited. During the visit of the Indian Prime Minister Manmohan Singh to Oman in November 2008 a MoU for setting up of an India-Oman Joint Investment Fund was concluded.

**Source:** *The Financial Express*, Mumbai

<http://www.financialexpress.com/news/oman-to-help-india-in-infrastructure-projects/701477/>

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## Saudi Arabia

### **10. India-Saudi Arabia mulling MoU to safeguard workers' interests**

**New Delhi, Wednesday, 27 October 2010**

India and Saudi Arabia are holding discussions on a MoU to safeguard the interests of Indian workers in the Gulf country and to ensure their welfare. The Saudi Ambassador to India Faisal H. Trad held a number of discussions with Overseas Indian Affairs Minister Vayalar Ravi on the issue of unauthorized agents, who send workers to Saudi Arabia and other Gulf countries with fake work permits.

**Source:** *The Deccan Herald*, Hyderabad

<http://www.deccanherald.com/content/108012/india-saudi-arabia-mulling-mou.html>

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## United Arab Emirates

### **11. India tops list of Dubai trade partners**

**Dubai, Tuesday, 5 October 2010**

India was Dubai's biggest direct trade partner in the first seven months of 2010, with bilateral transactions between the two countries amounting to over 85 billion dirhams (US\$ 23.14 billion) during the period, as per statistics issued by the Dubai Customs department. India's share of Dubai's overall trade with the outside world was 26 per cent. Not only was the maximum share of Dubai's imports from India, the Middle East nation also saw India as its biggest export market. While Dubai's imports from India amounted to 39.7 billion dirhams (US\$ 10.80 billion) during the period, exports to India were estimated at around 16.8 billion dirhams (US\$ 4.57 billion). Furthermore, the value of goods and products re-exported by Dubai to India stood at over 28.5 billion dirhams (US\$ 7.75 billion). China and the US stood at second and third place respectively, in the list of countries exporting goods to Dubai.

**Source:** *The Indian Express*, New Delhi

<http://www.indianexpress.com/news/india-tops-list-of-dubai-trade-partners/692798/>

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### **12. Rupee futures set record in Dubai**

**Dubai, Tuesday, 26 October 2010**

In the Dubai Gold and Commodities Exchange (DGCX) Indian Rupee futures contract traded record 6,043 contracts worth US\$ 270.61 million on October 19, beating the previous high of 5,376 contracts worth US\$ 242.83 million. Daily volume records were set by three DGCX currency futures contracts, Canadian Dollar, Australian Dollar and Indian Rupee, contributing to what is considered one of the most active months of trading for the DGCX.

**Source:** *The Financial Express*, Mumbai

<http://www.financialexpress.com/news/rupee-futures-set-record-in-dubai/702668/>

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## Turkey

### **13. Dabur completes acquisition of Turkey's Hobi Group**

**New Delhi, Tuesday, 12 October 2010**

The Dubai-based subsidiary of Dabur India Ltd completed the acquisition of Turkey's leading personal care products company Hobi Kozmetik. Dabur International Ltd acquired 100 per cent stake in three Hobi Group firms Hobi Kozmetik, Zeki Plastik and Ra Pazarlama and the group has now become a wholly owned subsidiary of Dabur International. The completion of this

acquisition represents a significant step for Dabur in its strategy to accelerate growth in the international market. It is an important step towards expanding Dabur's already substantial presence in the Middle East and North Africa region.

**Source:** *Business Standard*, New Delhi

<http://www.business-standard.com/india/news/dabur-completes-acquisitionturkeys-hobi-group/111870/on>

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## Miscellaneous

### Tunisia

#### **14. Disaster response force team back after joint exercise in Tunisia**

**Pune, Friday, 22 October 2010**

The 400 strong National Disaster Response Force (NDRF), which provided 24X7 surveillance at the Common Wealth Games, conducted a joint international exercise in Tunisia. Conducted amongst 15 countries, the main objective of the exercise was to check how well equipped the signatory countries of the Organization for the Prohibition of Chemical Weapons (OPCW) are.

**Source:** *The Indian Express*, New Delhi

<http://www.indianexpress.com/news/disaster-response-force-team-back-after-join/700912/>

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