A
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ON
“In-depth Analysis of UAE”
Submitted to
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Under the guidance of

Faculty Guide
Prof. D A Sanghvi.(Professor & head, MBA Dept.)
Prof. A D Shah(Assistant Professor, MBA Dept)

Submitted by
(Student Name)
(Batch:2011-13,Enrollment No.:____)
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(C. U. Shah College of Engineering & Technology)

MBA PROGRAMME
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Ahmedabad

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STUDENT’S DECLARATION

We, ________________________________ hereby declare that the report for Global /Country Study Report entitled A GLOBAL/COUNTRY STUDY AND REPORT “UAE” is a result of our own work and our indebtedness to other work publications, references, if any, have been duly acknowledged.

Place: ________ (Signature)

Date: ____________ (Name of student)
Institute’s Certificate

“Certified that this Global /Country Study and Report Titled”_____________________________” is the bonafide work of Mr./Ms.______________________________(Enrollment No____________) , who carried out the research under my supervision. I also certify further, that to the best of my knowledge the work reported here in does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate

Signature of the Faculty Guide

Prof. D A Sanghvi(Prof. and Head, MBA Dept.)

Prof. A D Shah(Assistant Professor, MBA Dept.)

(Certificate is to be countersigned by the Director/HOD)
PART – I

PESTEL ANALYSIS OF THE UAE COUNTRY
1. POLITICAL FACTOR:

**Overview**
The UAE is made out of a federation of seven independent emirates. The constitution, which was made established as a stable form in 1996, specifies that all powers not specifically assigned to federal institutions remain the entitlement of the individual emirates & with their rulers. In the month of February 2006, a new Council of Ministers was reformed, with various new ministries reorganized, & several new ministries created. In the month of December 2006, as a first step toward gradual government reform, the first election was detained for half the members of the advisory Federal National Council (FNC).

**Constitution**
In the month of December 1971, the federation of six Trucial Coast states, later on joined by the seventh one, decided on a provisional federal constitution, which was going to dismiss after five years, at which point an official constitution would be enlisted.

**Branches of Government**
The uppermost federal authority is the Supreme Council of Rulers, consisting of the rulers of all the seven emirates. This body elects the president & the vice president. The president appoints the prime minister & Council of Ministers. The Federal Supreme Council is entrusted with legislative as well as policymaking powers. It sanctions the federal laws & orders, strategies general policy, & may expulsion the prime minister of his post on the ratification of the president.

**Electoral System & Politics & Political Parties**
The UAE does not have a system of popular elections as we follows but the Federal Supreme Council chooses the country’s rulers. Political parties are forbidden in the UAE

**Administrative Divisions**
The UAE is a federation of combination of seven emirates which are as follows:-
1. Abu Dhabi (Abu Zaby),
2. Ajman,
3. Al Fujayrah,
4. Dubai (Dubayy),
5. Ras al Khaymah,
6. Sharjah (Ash Shariqah), &
7. Umm alQaywayn.

**Provincial & Local Government**
Each of the seven emirates has their own government, which functions in trail bike with the federal government. Municipalities do work of controlling the main cities, each of which has a municipal council.

**Judicial & Legal System**
Under the UAE’s constitution, **SHARIA**, the law of Islamic religion, as a principal & primary source for law.

**Introduction Of Political Structure Of UAE**

**1.1 Formation of the Federation**
Following the British expiry of their agreements with the Trucial States, the name by which they were before known, the rulers of the seven emirates established a federal state officially entitled Dawlat al Imarat al Arabiyya al Muttahida (State of the United Arab Emirates). The philosophy behind the state was termed in a statement which was released on December 1971 when the new state on form of Country was formally established. The United Arab Emirates has been recognized as an independent state, possessing independence & with diversity. It is part of the greater Arab nation. Its aim/goal is to maintain its independence, its sovereignty, its diversity, its security & its strength, in defence against any attack on its individual or on the individual any of its member Emirates. It also aims to protect the freedoms & rights of its people& citizen & to achieve trustworthy cooperation between the Emirates for the common good.

**1.2 Federal Constitution**
Each of the component emirates of the Federation had their own existing institutions of government & to provide for the effective governing of the new state, the Rulers approved to draw up a conditional Constitution specifying those powers which were to be allocated to new federal institutions, all others remaining the privilege of the individual emirates.

1.3 Supreme Council of the Federation
In a spirit of unanimity & association, the rulers of the seven emirates agreed during the process of the federation that each of them would be a member of the supreme council, the top policy-making body in the new state.

1.4 The Council Of Ministers
The Council of Ministers or Cabinet described in the Constitution as the executive authority for the Federation, includes the usual go together of ministerial portfolios & is headed by a Prime Minister chosen by the President in consultation with his coordinator on the supreme Council.

1.5 Federal National Council
The Federal National Council (FNC) has 40 members selected from the emirates on the basis of their population, with eight for each of Abu Dhabi & Dubai, six each for Sharjah & Ras al-Khaimah, & four each for Fujairah, Umm al-Qaiwain & Ajman. The selections of representative members are left to the discretion of each emirate & the members‘ legislative term is deemed to be two calendar years.

1.6 Federal Judiciary
The federal judiciary, whose independency is sure under the Constitution, includes the Federal Supreme Court & Courts of First Instance. The Federal Supreme Court consists of five judges which are appointed only by the Supreme Council of Rulers. The judges decide on the constitutionality of federal laws & judge.

1.7 Local Governments
Similar to &, on occasion linking with the federal institutions, each of the seven emirates also has its own local government. Though all have expanded knowingly as a result of the country‘s growth over the last 28 years, each Emirate differs in size & complication, depending on a
variety of factors such as population, area & degree of development. Government in the emirate is implementing by a number of local

1.8 Government & Politics
The UAE's armed forces organization in turn reflects the political structure of the federation itself, where every emirate retains broad independence from the central government in Abu Dhabi. There are also rivalries among the emirates & within the ruling families. Dubai doesn’t recognize that it falls under the UAE’s OPEC share, & annually forces Abu Dhabi to under produce in order to stay within OPEC limits. There are also few noticeable defined boundaries, because of that every emirate has an ongoing border dispute either with one of the other emirates or Oman. The Supreme Council is the top policy-making build in the UAE, & the President & Vice President are both elected from its membership for which is renewable for five-year terms. The Supreme Council has both judicial & administrative powers. In addition to planning & endorsing federal laws, the Supreme Council approves the President’s which is chosen by Prime Minister & is fitted out to accept his resignation, if required. The Prime Minister is only appointed by the President. He or she after becoming Prime minister then appoints a Council of Ministers, or Cabinet, to supervise the development & implementation of federal policy across all groups of government. The member of each college then elects half of the FNC members, while the other half continues to be appointed by each Ruler of the emirates. In month of November 2008, the terms for FNC members were comprehensive from two to four years, which is more dependable with other parliaments in the world. In addition, the government will report to the FNC about wished-for international treaties & agreements, & those agreements will be discuss by the FNC before their ratification. Historically, the political environment of the UAE has been differentiating by great affection for the country’s leadership & institutions of government.

2. ECONOMIC FECTOR

Introduction to UAE Economy
The United Arab Emirates has sown considerable improvements at economic as well as social levels since its establishment. It has also been consider as an ideal model for other countries to follow and a source of great pride and inspiration. Apart from the many achievements in the past decade, the UAE was also able to create a highly business enabling environment to attract
foreign investment, and is characterized by political and security stability and modern legislations which are in-line with advances in its economy.

The UAE has one of the most open economies in the world. The UAE has an open market economy with a high per capita income and a sizable annual trade surplus. The country is offering a Free Trade Zones with 100% foreign ownership and zero taxes to attract foreign investors. Economy is mainly depending on oil exports which accounts for 30% of the total GDP of UAE. United Arab Emirates is now the second-richest country in the Muslim world. Due to the UAE have world's third largest proven oil deposits. The UAE Economy is mainly influence by Oil sector. UAE economy as a whole experienced a remarkable growth in last 3 decade. It can be shown by the macro and micro indicator of economy and its financial sector. UAE is the federation of seven emirates which is governed by one government. Its regulation, laws, economic policy is decided by the central Government situated at Abu Dhabi.

**Major Indicator of Economic Development**

An economic indicator is a statistic of the economy. Economic indicators show the analysis of economic performance and predictions of future performance. One application of economic indicators is also the study of business cycles.

Economic indicators are the composition of various indices, earnings reports, and economic summaries. Like

- Gross Domestic Product
- GDP Growth Rate
- GDP Per Capita
- Consumer Price Index
- Inflation Rate
- Export
- Import
- Govt. Debt
- Govt. Spending
- Population
- Unemployment Rate
Macro Economic indicator of UAE

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Actual</th>
<th>Previous</th>
<th>Highest</th>
<th>Lowest</th>
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</thead>
<tbody>
<tr>
<td>GDP</td>
<td>360.25</td>
<td>297.65</td>
<td>360.25</td>
<td>2.85</td>
</tr>
<tr>
<td>GDP Growth Rate</td>
<td>3.3%</td>
<td>1.40%</td>
<td>11.90%</td>
<td>-1.60%</td>
</tr>
<tr>
<td>GDP Per Capita</td>
<td>21058.44</td>
<td>21088.26</td>
<td>49329.20</td>
<td>20766.25</td>
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<tr>
<td>CPI</td>
<td>116.86</td>
<td>116.47</td>
<td>116.91</td>
<td>107.75</td>
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<tr>
<td>Inflation Rate</td>
<td>0.95%</td>
<td>0.46%</td>
<td>12.30%</td>
<td>-1.60%</td>
</tr>
<tr>
<td>Import</td>
<td>742372</td>
<td>604351</td>
<td>742372</td>
<td>128570</td>
</tr>
<tr>
<td>Export</td>
<td>1034323</td>
<td>784222</td>
<td>1034323</td>
<td>179120</td>
</tr>
<tr>
<td>Govt. Debt</td>
<td>16.90%</td>
<td>21.30%</td>
<td>22.50%</td>
<td>2.70%</td>
</tr>
<tr>
<td>Govt. Budget</td>
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<td>-1.30%</td>
<td>21.58%</td>
<td>-13.01</td>
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<tr>
<td>Govt. Spending</td>
<td>86570</td>
<td>76190</td>
<td>86570</td>
<td>33440</td>
</tr>
<tr>
<td>Population</td>
<td>4.57</td>
<td>4.59</td>
<td>4.60</td>
<td>0.09</td>
</tr>
<tr>
<td>Unemp. Rate</td>
<td>4.60</td>
<td>4.30</td>
<td>4.60</td>
<td>1.15</td>
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This table shows the Major indicator in UAE Economy. These indicators are published by the UAE economy in May 2012; this shows that there is current as well as previous year and highest, lowest indicator of Economy. Here, we find that,

GDP:- GDP for current year is 360.25 where as last year GDP was 297.65 in the UAE Economy history highest GDP is found in this year and lowest GDP was 2.85.

GDP Growth Rate:- GDP Growth Rate is 3.3% in current year and last year was 1.4% the highest GDP Growth Rate was 11.90% and Lowest was -1.60%.

CPI:- CPI in UAE Economy for the current year is 116.86 where as last year was 116.47 and highest CPI was 116.91 and Lowest was 107.75.

Inflation Rate:- Inflation Rate in current year is 0.95% and last year was 0.46% and highest Inflation Rate was 12.30% where as lowest Inflation Rate was -1.60%.
Import-: Import In UAE of current year is 742372 and last year import was 604351 where as highest Import was 742372 and lowest import was 125870.

Export-: Export in current year is 1034323 and last year export was 784222 where as highest export was 1034323 where as lowest export was 179120.

Population-: Population UAE in current year is 4.57 and last year was 4.59 where as highest population was 4.60 and lowest was 0.09. Unemployment Rate-: Unemployment Rate in current year is 4.60 and last year rate was 4.30 where as highest rate was 4.60 i.e. current year rate and lowest rate was 1.15.

**Evolution of Economic Performance**

This chart shows the performance of UAE economy during 2003 to 2011. Here, we find that nominal GDP and Real GDP during this time. Nominal GDP in 2003 is 124.3 US billion which constantly increasing to 2008 i.e. 314.8 and then after it was slightly decrease and from the next year it was further move to increasing. The highest Nominal GDP is in 2008 i.e. 314.8.

This chart also shows the Real GDP during 2003-2011 in 2003 Real GDP was at highest point is 16.4%. Real GDP is constantly decreasing till 2009. In 2009 Real GDP is at lowest i.e. -3.2% and after that it moves to increasing in 2010. From this evolution we can see that there is constant
increasing of Nominal GDP and constantly decreasing of Real GDP. So, on the bases of this we can say that UAE is the developing country and it can achieve as developed country till 2020.

**Oil and Non-oil Contribution to GDP**

![Oil and Non-oil Contribution to GDP](image)

This chart shows the **Oil and Non-oil contribution to GDP** of UAE economy. Here, it shows that highest contribution in oil sector of Abu Dhabi has 96.2% and after that second contributor to GDP is Sharjah with 2.0% and last is Dubai is with 1.8%. In the UAE other are not contributing to UAE economy. Whereas, in the **Non oil contributing** to GDP Dubai has the highest contribution with 56.9% after that Abu Dhabi comes with 32. % to GDP contribution and last contributing state is Sharjah with 11.1% contribution toward GDP. From this analysis we conclude that there is mainly three contributing state in economy i.e. Abu Dhabi, Dubai and Sharjah. The economy is mainly based only on these three states. Among these three states Abu Dhabi has the highest contribution in Oil sector and Dubai has the highest contribution in Non-oil sector.

**Difference between UAE & Indian Economy**

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<tr>
<th>Indicator</th>
<th>Indian Economy</th>
<th>UAE Economy</th>
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</thead>
<tbody>
<tr>
<td>GDP</td>
<td>360.25 US Billion</td>
<td>115.8 US billion</td>
</tr>
<tr>
<td>Growth rate</td>
<td>9.23%</td>
<td>8.5%</td>
</tr>
<tr>
<td>HDI</td>
<td>0.692</td>
<td>0.849</td>
</tr>
<tr>
<td>Income category</td>
<td>Low income</td>
<td>High Income</td>
</tr>
<tr>
<td>Ranked in Economic Freedom</td>
<td>123</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>UAE</td>
<td>India</td>
</tr>
<tr>
<td>-------------------------</td>
<td>--------------</td>
<td>-------------</td>
</tr>
<tr>
<td>GDP per capita</td>
<td>3349.22</td>
<td>25545.18</td>
</tr>
<tr>
<td>Stock Exchange</td>
<td>NSE</td>
<td>Dubai financial Market</td>
</tr>
<tr>
<td>GNP</td>
<td>14.37$ per 100$</td>
<td>77.28$ per 100$</td>
</tr>
</tbody>
</table>

There is vast difference between UAE Economy and Indian Economy i.e.

1. **GDP**: GDP of UAE is 360.25 US Billion and Indian Economy is 115.85 US billion that shows that 244.4 US Billion difference between this two countries.
2. **Growth Rate**: Growth Rate of Indian Economy is 9.23% where as UAE has 8.5% Growth Rate there is 0.73% difference between India & UAE.
3. **Human Development Index**: HDI of UAE was 0.692 where as India has 0.849 there is 0.197% difference found between this two countries.
4. **Income Category**: India is under the Low income category where as UAE is under the high income category.

### 3. CULTURAL FACTOR

United Arab’s 7 Emirates was established on 2nd Dec. 1971 and nowadays its population is 6.4 Million it includes 13.5% Emiratis and 86.5% expatriates. It is known as the developed country and its GDP rate is very strong for progressive economy. Oil and Chemical are the natural availabilities. Most of the people are earn money from pearling and fish. Culture and International Business about cultural difference and how they influence the method of doing business, and not about how to recognize the people of different nationality. Every culture in the world such phenomenon as authority, bureaucracy, creativity, good companionship, verification and accountability are experienced in various ways. There is a assumption that internationalization will create, or at least lead to, a common culture worldwide- its helps to makes the life of international managers much simpler. Culture is the most constructive way in which people solve troubles. culture is the best way in which a cluster of people solve problems and reconcile dilemma culture comes in layer, like an onion- to understand it you have to skin it layer by layer. The layers of values are deeper within the “onion”, and are more complicated to make out. Thoughts and relationships- sentimental vs. neutral cultures members of cultures which are affectively neutral do not show their feelings but keep them carefully prohibited in cultures high in affectivity, people show their feelings by laughing, smiling and gesturing. Communication between various cultures is basically the exchange of information,
ideas or emotions; information is the carrier of meaning. it is possible only between people who share a system of meaning. Western society has a predominantly verbal culture, and Europeans correspond with paper, film and conversation. Non-verbal communication study has shown that at least 75% of all communication is non-verbal. Comparatively young federation of seven small Gulf states each with their own unique characteristics and history. The discovery of oil in the mid of 20th century significantly changed the UAE’s economy making it one of the wealthiest nations in the world with a large overseas refugee people, it is the most (socially) liberal country in the Middle East. The president of the Emirates is Highness Shaikh Zayed Bin Sultan Al Nahayan, who has ruled the country ever since its commencement. Citizens now have a high standard of living and higher level of education and the country is invest a great deal in transforming the desert into a green and pleasurable land. Islam is the official religion 76% of the population are Muslims, with the remaining 15% Christians, and 9% Hindus and others as with all of the Arab states, Islam has a reflective influence on most aspects of life in the UAE. The Emirates are liberal of other religions as well. UAE’s strong economy is due to its oil and gas resources, as well as its premeditated location at the mouth of the Arabian Gulf. the Government has used much of its wealth to develop the living standard and quality of life within the country. the Government has improved spending on job creation and infrastructure development and is opening up its utilities to larger private-sector involvement. Arabs are generally known for their informal, relaxed behavior, good manners and consideration of others the quality of sabur, which means both ‘patience’ and ‘commitment’ in difficulty is much desirable in business conditions, it may take some time before the topic of conversation is directed to your main reason for meeting, but this process should not be quick The working week traditionally starts on Saturday and it ends on Wednesday. people and relationships are more important than schedules and regularity. Many traditional attitude and business practices are developing towards Western approach, but it is still important to be conscious and respectful of some difference that might survive

4. TECHNOLOGICAL FECTOR

DIFFERENT TECHNOLOGY USED BY UAE

ECOLOGICAL PARK

| 1 | The Eco Park plan represents the view for a new urban community, and a roadmap for how this land will be transformed into a sustainable living. |
It concerned primarily of three controlled vehicular entrances of limit on-site walking, bicycling, electric carts and solar-powered boats.

The EATC (Environmental Awareness Training Center) on the left and Mangrove and Marine Wildlife Visitor Center, labs, class rooms, Exhibits, provide ongoing study & information and citizen habitats.

**BENEFITS OF THIS PLANT**

1. Zero Carbon
2. Zero Waste
3. Sustainable Transport
4. Local Sustainable water, foods and materials
5. Natural Habitats & Wild Life
6. Heritage & Cultural
7. Health & Happiness

**Solar CCTV Camera Security System**

Today in modern life everyone is becoming environmentally “Going Green” or becoming more environmentally aware with hybrid technology, using unconventional energy sources and use recycling process. The security Industry developed a solar energy CCTV camera in security system. It is safe environmentally and energy saving system with self renewing source of power for 24 hours.

1. Solar security system captures the sun’s rays using solar (photovoltaic) cells which convert the light into electricity.
2. The photovoltaic cells produce direct current which passed through an inverter to convert to the desired frequency and voltage. Ex. AC current and 12 volt.
3. The power is changed in usable power and now the solar camera uses this power for a green energy power source.
4. The receiver must locate in a monitoring station which is near to power lines to monitor and record the footage.

5. The monitoring station must locate 2 miles far away from the cameras themselves.

6. Solar camera system connected to a network which allowing to see camera from virtually anywhere.

### ADVANTAGES

1. Eco-Friendly power source
2. Used in areas with lack of power lines
3. Self-sustaining power source
4. Weatherproof design
5. Solar panels usually last 10+ years
6. Wireless capability

### DISADVANTAGES

1. Initial cost of installation
2. Initial cost of parts
3. Requires energy storage
4. Useless in limited lighting area

### GRL (Geo Reference Locator) ADDRESSING SYSTEM

1. Find any location in UAE, simply and effectively. Whether you are looking for someone’s office, shop, home or perhaps a hotel, mall, hospital, landmark
2. UAE locator will show you where and take you to the door.
3. UAE Locator full building level details and major posted names.
4. Using digital pushpin in you can create your own layer of points on map.
5. Over 90% of all buildings were covered.
6. Every building has unique number called GRL.
7. Informap specializes in gathering Geo coded data & processing them into Geo information and delivering it in a ready to use format when it needed.
**DEFENSE TECHNOLOGY :-**

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1</td>
<td>UAE cooperates with U.S. since 21-july-1994, by defense agreements</td>
</tr>
<tr>
<td>2</td>
<td>They have one unique NATIONAL SECURITY LABORATORY to find out secret weapons</td>
</tr>
<tr>
<td>3</td>
<td>AIR CRAFT carrier</td>
</tr>
<tr>
<td></td>
<td>Combat Super Flyers</td>
</tr>
<tr>
<td></td>
<td>Hawk Super Surface Jet</td>
</tr>
<tr>
<td></td>
<td>80 U.S. F-16 Air craft</td>
</tr>
<tr>
<td></td>
<td>Air to air missile launchers</td>
</tr>
<tr>
<td>4</td>
<td>3000 U.S. Solders in UAE army</td>
</tr>
<tr>
<td>5</td>
<td>Total value of armed was at $ 750 Millions at sept-2006</td>
</tr>
<tr>
<td>6</td>
<td>Total size of armed force is 54,000</td>
</tr>
</tbody>
</table>

**NUCLEAR TECHNOLOGY :**

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1</td>
<td>Concept of plant was given in 2008</td>
</tr>
<tr>
<td>2</td>
<td>It is established with partnership of U.S. by Atomic Energy Act 1954</td>
</tr>
<tr>
<td>3</td>
<td>In Jan-2010 project was given to the Korea Electric power Corporation of South Korea to construct the first four APR 1400 nuclear reactors</td>
</tr>
<tr>
<td>4</td>
<td>First project will fully start in 2017 and rest three in 2020</td>
</tr>
<tr>
<td>5</td>
<td>This plant will establish in Baraka, near Abu Dhabi’s western border.</td>
</tr>
</tbody>
</table>

**SMART AUTOMATION :**

| Features :                                                                 |
|---|-----------------------------------------------------------------|
| 1 | The smart technology provides highly stable and secure wireless system. |
| 2 | Security systems are wireless CCTV cameras installed in the form of indoor & outdoor which monitor & record each movement for the particular areas. |
| 3 | Motion & door sensors in ensure the restricted entry at certain times of the day. |
Sensors used for detecting metal part or weapon systems to avoid unethical activity which is harmful for human life.

Smart card that most of the industry used for attendance of their employees for entry and exit.

Smart technology used for interior decoration of home like lighting system, multimedia devices (music player, home theater), automatic curtains, door locking system, water heater etc. The smart technology makes human life luxurious.

FUTURE OF TECHNOLOGIES OF UAE.
SMART KITCHEN-COMPACT AND INTELLIGENT
AN INNOVATIVE SERVICE FOR PATIENTS AND PHYSICIANS
CONCEPTS CHARGES ON STREET SIGNS
CONCEPT ECO-NEWSPAPER OF THE FUTURE
VIRTUAL KEYBOARD IN THE HOUSING FOB

5. LEGAL FACTOR

LEGAL STRUCTURE OF U.A.E.

The CONSTITUTION of The United Arab Emirate as federation of seven Emirate was come into effect on Dec. 2, 1971 and was permanently accepted in May 1996. The United Arab Emirates celebrates the formation of the Union (and acceptance of the federal constitution) as National Day. This constitution is framed by Mr. Adibit (former judge and legal advisor).

JUDICIAL AND COURT SYSTEM IN U.A.E.
The judicial system of U.A.E is divided into 2 parts: Local Judicial system and Federal judicial system.

**Local Judicial System:**

Local judicial system manages the internal affairs of Emirate. Each Emirate has its own Local judicial system which is binding to the federal judicial system. The judicial system according to the Abu Dhabi Courts system follows three stages of litigation: Court of First Instance, Court of Appeals, and Court of Cassation.

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**COMMERCIAL LAW OF UAE**

All those coming under the jurisdiction are to be enforced all the provisions shown below by the minister and specialized authorities, and the Minister of Economy and Commerce obtain opinion of the authorities and then after issues the necessary resolutions for the implementation.

**PUBLICATION OF LAW**

The commercial law should be published in the Official Gazette and shall be operated after the three months of the date of its publication.

**PRESIDENT OF UAE**

Zayad Bin Sultan Al Nahyan

On – 21 Rabie Al Awal 1414, A.H. corresponding to 7th September, 1993, A.D.

**COMMERCIAL LAW APPLICABLE TO**

To traders
All commercial activities done through any one even though he is not a trader

All the activities regarding trading & commercial must be done through an agreement between two parties and no any activity can be started without any agreement.

If the activity is contradicting the public order or morals than the specific agreement or commercial custom rules are not be applied to them.

**COMMERCIAL ACTIVITIES ARE**

Trading activities related to trade affairs by traders

Speculative activities by a person even though he is not a trader and intention is to earn profit commercial activities specified by the law

All those activities which are related to facilitating or implementing a commercial activity

**LABOUR LAW**

Establishment of Federal law in 1980. To maintain the labor and social affairs, approval of council of ministry and federal national council.

Definition of labor:-

“Any individual who receives remuneration by performing the services to the employer under his management and control.”

Work done by employer:-

- Temporary work
- Agricultural work
- Continuous service

The use of Arabic language is compulsory in all record, contract, statement and other document.

- Amended by Federal Law No. (12) of 1986
➢ The provision can not applicable to the following category:-


2. Members of the Armed Forces of Police and Security

3. Domestic servants working in Private residences and the like

4. Workers employed in Agriculture or pastures.

**Employment of worker, woman, younger:-**

Work is a right of the United Arab Emirates Nationals.

If non availability of worker, preferences shall be given to:

1. Arab workers who are nationals of an Arab Country.

2. Workers of other nationalities

6. TRADE AGREEMENT

**TRADE AGREEMENT:**

It is generally meant as an international agreement on conditions of trade in goods and services which an agreement is resulting from collective bargaining.

A trade agreement is a pact between two countries or areas in which they both agree to lift most or all tariffs, quotas, special fees and taxes, and other barriers to trade between the entities. The purpose of free trade agreements is to allow faster and more business between the two countries/areas, which should benefit both. UAE has entered into number of trade agreements with an intention to diversify their economy. All such trade agreements which it entered into & their subsequent impacts are as follows:
The **World Trade Organization (WTO)** is an organization which intends to supervise and liberalize international trade. The organization is dealing with regulating trade between participating countries. It provides a basic framework to negotiate and formalize trade agreements, and a dispute resolution process which is aimed at enforcing participants' adherence to WTO agreements which are signed by representatives of member governments and ratified by their parliaments.

**GCC**

The **Cooperation Council for the Arab States of the Gulf (CCASG)** which is also known as the **Gulf Cooperation Council (GCC)**, is a political and economic union of the Arab states. It was established in Abu Dhabi on May, 25 1981.

**GATS:**

Wto’s **General Agreement on Trade in Services** is seen as next MAI (Multilateral agreement on Investment that was derailed successfully by protest of enormous on its impact on people’s lives).

**Doha Round Agreement**

Among WTO membership, Doha Round is the latest round of trade negotiations. It has the aim to achieve major reforms of international trading system through the introduction of lower trade barriers and revised trade rules. The program work covers about 20 trade areas. The round is semi-officially known as Doha Development Agenda as a fundamental objective in order to improve the trading prospects of developing countries.
OAPEC:
Organization of Arab Petroleum Exporting Countries
Since 1994 UAE has been a member of OPEC and a member of Organization of Arab Petroleum Exporting Countries since 1970. The Organization of Arab Petroleum Exporting Countries (OAPEC) is a multi-governmental organization which has its headquarters in Kuwait and which coordinates energy policies between oil producing Arab nations whose main purpose is development.

IOC:
It stands for International Oil Companies. ADNOC (Abu Dhabi National Oil Company) has long maintained partnerships with International Oil Companies (IOCs). The IOCs benefit from production-sharing rights and are able to book reserves, although they receive a low rate of return. Around 40% of the UAE’s oil production is carried out by wholly foreign-owned concessionaires.

DPSA
It is a development & production sharing agreement. Dolphin Energy’s Dolphin Gas was created in 1999 to produce process and transport by pipeline natural gas from Qatar’s North field to the UAE and Oman, in support of long term industrial growth.

ITU
ITU telecommunication regularity sector (ITU-T) is one of the three sectors (divisions or units) of the International Telecommunication Union (ITU); it coordinates standards for telecommunications. Today it is the largest and most powerful telecommunications
organization in the world.

**GCAA**

GCAA stand for **General Civil Aviation Authority** It was set up in 1996 and it is in charge of air transportations in the UAE. To serve the northern emirates, its main office is situated in Abu Dhabi and the regional office is in Dubai.

**IATA:**

**INTERNATIONAL AIR TRANSPORT ASSOCIATION**

The UAE joined the IATA air services agreement in 2009, in order to further liberalize its air space by signing the deal under IATA's Multilateral Statement of Policy Principles. The UAE has bilateral air services agreements with 144 countries, including 90 open skies agreements. The signatories of IATA' Multilateral Statement of Policy Principles are Chile, Malaysia, Panama, Singapore, Switzerland, and the United States.

The UAE shall develop their national laws and convention in a number of very vital areas such as intellectual property, trade in services, trade defense laws, etc. The foreigners, other than the GCC nationals, are not being allowed to own the agricultural land, but may own up to a 49% stake in the agri-business companies. UAE has made commitment under GATS, on all the banking and other financial services but there is exception of settlement and clearing services for financial assets. Doha round has the aim to achieve major reforms of international trading system through the introduction of lower trade barriers and revised trade rules. OAPEC co-ordinates energy policies between oil producing Arab nations whose main purpose is development. Around 40% of the UAE’s oil production is carried out by wholly foreign-owned concessionaires. Moreover Dolphin’s natural gas is helping to support the Abu Dhabi vision 2030 by being a reliable supplier of clean energy. The UAE is having the highest mobile and internet dispersion in the Arab world. GCAA which is an independent body ensures the safety
and security for the aviation sector. The increase in air service and passenger traffic is forecast to generate employment in a number of ways.

7. **FINANCIAL MARKET OF UAE**

**DUBAI**

In area of approximately 3,900 KM.
Dubai is a financial hub of UAE
This traditionally provided the basis of the trading industry.
Main sources of income are Tax and various financial services.

**SHARJAH**

It is approximately 2,600 KM.
In 700 year ago Sharjah was the leading port in the lower Gulf.
Produce from the various product of agricultural products.

**AJMAN**

Ajman is on area is only 260 KM.
Surrounded mostly by the emirate of Sharjah.
Along the creek dhow building was the specialized trade.
Most of the commodity exchange are situated in Ajman.

**QAIWAIN**

It is the second smallest emirate, with a total area of 770 KM.
Positioned between the emirates of Sharjah and Ajman to the south
Quiwain has the smallest population town.
Farming also plays a significant role in the economy.
RAS AL KHAIMAH
It covers an area of 1,700 KM.
Ras Al Khaimah has a unique abundance of flora, so it is no surprise that agriculture is important to the local economy.
This is plentiful in the rich waters of the Gulf.

FUJAIRAH
Fujairah covers about 1,300 KM area.
Fujairah's economy is based on fishing and agriculture.

In UAE various Industries are being connecting the area of oil and natural-gas deposits are still critical to the economy and provide the bulk of export and on the way creating a lot of earnings are possible in UAE. However, the country are rapidly increasingly diversified economy are relies has to the international banking, financial services, regional corporate headquarters, and tourism etc.

MEANING OF FINANCIAL MARKET

A financial market is a market in which people and entity can trade financial securities, commodities, and other fungible items of assessment at low transaction costs and at prices that reflecting supply and demand. Securities include various stocks of bonds, and commodities including precious metal or relevant item of agricultural seeds included in the market as a goods.

There are both type of general markets and specialized market. Where only one commodity is trade. Markets work by place a many interested buyer and seller, included households, firm, and government agency, in one "place", thus making it easier for them to find each other.
Financial markets facilitate are:

- The raise of capital
- The transfer of risk
- Price discovery
- Global transactions with integration of financial markets
- The transfer of liquidity
- International trade

Typically a borrower issues a receipt to the lender promising to pay back the capital. These receipts are securities which are freely bought or sold. In return for lending money to the borrower, the lender will expect some compensation in the form of interest or dividend.

Trading of currency and bonds are largely affected on a bilateral basis, even though some bonds trade on a stock exchange and people are building electronic systems for these as well, similar to stock exchanges.

**FINANCIAL MARKET IN UAE**

**CURRENCY**

The United Arab Emirates dirham is past time introduced 19 May 1973. It was replaces on Qatar and Dubai riyal at par on that duration. The Qatar and Dubai riyal has been disseminated since 1966 in all of the emirates accepting to all on as an Abu Dhabi, where the dirham replaced the Bahraini dinar is are

\[1 \text{ DIRHAM} = 0.1 \text{ DINAR}\]

In 1969, all the emirates that are used that UAE dirham on that time the Gulf is used as a rupee. Like As Qatar, the emirates for a short time adopted the Saudi riyal during the transition from the Gulf rupee to the Qatar and Dubai riyal. On the time on January 4, 1976, the dirham was officially introduced in the UAE into the IMF's special law of under act of drawing rights. In practice, it is pegged to the U.S. dollar for most of the time. Since March 1998, the dirham has been introduced to them.
1. USA DOLLAR = 3.6725

1. DIRHAM =0.272294 DOLLAR

The name Dirham derives from the Greek word Drachmae, literally meaning "handful", throughout the Latin. Due to specific region of old trade and usage of the currency, dirham survives through the Ottoman regime. An exchange rate is the current market price which are the currency are to be exchange for one to another currency is the important sources for market and as per different country wise.

STOCK MARKET

A stock market or exchange is the center of a network of transactions where securities buyers are meet together to the sellers at a certain price to the detailed place on that. A stock market or exchange is not necessary a physical facility and with the advancement of information technology are increasingly rare type of those traders.

United Arab Emirates stock market (UANBGENL)

Stock exchange in the UAE it has start on 2007 to the USA president are opened them. On that day to utile now Positive performance during the last year on 2012. The UAE has a stock market, rally 18 points or 0.58 percent during the last 6 month. Historically, from 2007 to up till now on 2012, the UAE stock market averaged 2387 reaching an all time high of 5954 up till now on 2012 and a recorded low of 1009 in April. The United Arab Emirates stock market is a major stock market index which tracks the performance of large company based in UAE.

Dubai Financial Market (DFM)

The Dubai Financial Market is a stock exchange located in Dubai, United Arab Emirates. It was founded on March 28, 2001. There are about 91 companies listed (as of April 2008) on Dubai Financial Market, most of them are UAE-based companies and a few dual listings for companies based in other many province countries. Foreign companies are from the following countries like as a: Kuwait, Bahrain, Oman, and Sudan. Many companies are to be allowing foreigners to own
their shareholder. During 2005 and 2006, there were significant increases in the volume of shares traded and that share prices are too many companies.

**FINANCIAL ECONOMY**

The UAE economy is very burly and its attitude is positive. Buoyed by high prices of oil the nation has been capable to realize sustain economic growth rates and was able to rise above the cost of the total financial crisis exclusive of significant indemnity to the general economy.

The UAE’s situation is reflected in a number of essentials among others, the nation level in the very high human development class in the United Nation’ Human development index it has the world’s fourth top level of GDP per capita and it has see its GDP raise by just about 50% since 2006 only from $245 billion to $247 billion in 2011. The larges accumulate financial plan surpluses have resulted in a broad range economic improvement program, with specifics focuses on infrastructure, health care and cultural service. The UAE is at present the next major Arab economy after Saudi Arabia. Likewise, the country has pursued economic diversification efforts seeking to lessen its reliance on oil and gas. This resulted in the non-oil division contributing 71% of GDP in 2009. The slowdown in economic movement resulting from the 2008 global downturn has been overcome and the UAE has return to new modest yet solid growth. Most of researchers consent on consequence of the role of finance in economic growth both at the national and international level. Main debate set rather beside two major positions of arguments.

First, whether financial development causes economic growth by mobilize savings, facilitate exchange of goods and services, rising diversification, or the other way round, higher growth stimulate development of the financial system.

Second, what determine the level of financial sector development and how to detain its impact on economy growth? Most usually used quantitative indicator of the level of a country's financial development is:- Large money: to capture in general size of the official financial sector. Domestic assets of occupant banks: to compute the size of financial mediators. Credit on the private sector to all domestic credit. Stock market proceeds and capitalization into the include effects of stock market size and liquidity. It is argument while, that these essential
measurements should be increased by more detailed quantitative and qualitative indicator in order to provide a better-off description of a country financial development.

Exclusive of any overstatement, the UAE economy story is obvious successfully story. According to the overall Virtual University, UAE GDP per capita ranks are twenty second.

Within the last thirty years UAE financial system was pace up with the universal economic trends. Within thirty years yearly growth averaged at 17.4 percent for the nominal GDP and 14.0 percent for the real GDP.

Within same duration private credit and bank assets were rising at a matching rate of 10 to 11 percent annually while money supply increase at a rather prudent rate of 6% year. As a result financial depth of the UAE credits and banking system improved to the level compatible to the size of the country GDP.

**TOP TEN BANKS IN UAE**

- Ajman Bank
- Al Salam Bank
- Al Salam Sudan Bank
- Amlak finance
- Arab Emirates Investment Bank
- Commercial bank of Dubai
- Dubai Islamic Bank
- Emirates NBD
- Gulf Finance House
- Tamweel bank

UAE is a financial as well as economically storage in the world so all investor are ready to start the business in UAE and also help us to foreign investors who are ready to start business which are help us to financial as well as technically and other relevant facility are providing by us. UAE is also developed the general market as well as specialized commodity market in Dubai and Ajman on that market any buyers or seller are work as per the interest without any provision of the act and as per federal act any buyer are work with market. If Indian business man can start
the business in UAE then possible to get’s the benefits like as UAE give the financial support, technical facility, open market, that all factors are Indian business men or interested investors too.

8. **ECOLOGICAL FECTOR**

Ecology can be termed as relationship between living organism with one another and with its surroundings. The ecological footprint of UAE is 11.9 global hectar and stands at 1st place, whereas India is rendering 0.8 global hectar & stands at 125th position.

*Solar energy* is a notification necessarily useful for transportation of beverages and food through cold chains. In true sense Abu Dhabi is 1st to establish renewable energy target for period within 2020.

*Eco schools* motto is to spread awareness of effective utilizing of natural resources by educating students, community people and so on.

*Blue flag* can be considered as an achievement for Abu Dhabi for maintaining & keeping their beaches & marine clean. They had presently secured 3450 beaches & marine under this aspect.

*About earth hour* is an idea to protect climate from the changes taking place in usage and disposing of natural resources. UAE stands 1st at15.99 and India stands 108 at 1.06 for carbon emission.

**The Launch of the Green Ecological Initiative** consist of various programs, projects, legislation implied on developing standards for energy consumption in private and public sector, encouraging investment in green economy and facilitating the production, reducing carbon emission from industrial sites, planning for green cities and so on.

**UAE greenhouse that grows its own power supply** is undertaken because in UAE there is hot, dry climate and the shortage of water makes growing any crops to be expensive, difficult and resource-intensive endeavor. **Fishermen defy UAE ban on shark hunting.**

<table>
<thead>
<tr>
<th>Emirates</th>
<th>Description</th>
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<tbody>
<tr>
<td>Abu Dhabi</td>
<td>Abu Dhabi is the capital &amp; largest city of the UAE.</td>
</tr>
<tr>
<td></td>
<td>It is aimed in building world’s largest solar plant at MASDAR that offset 170</td>
</tr>
</tbody>
</table>
Dubai | Here there is a company that recycles scrap tires through pyrolysis process that thermally decomposes tiers into organic materials that help in reducing poisonous & other harmful gases that increase pollution in air. Doing this they reduce carbon from the environment through a Kyoto protocol that reduce carbon dioxide emissions total around of 350,000tons. In Dubai there is increase in the demand for power and water, that is been managed by Dubai electricity and water authority (DEWA).

Sharjah | It is an emirate that is concerned with the health & recycling 100% of water. A part from this Sharjah also bans the usage of plastic product from January 1 due to its adverse effect on environment. Water jet is recently related with high pressure Water pump where the Water is then cast out from the nozzle cutting through the substance by spraying it with the jet of high-speed water.

Al Fujairah | It is an emirate which is located on gulf of Oman. It is a reflection on a landscape which is combination of various mountains. It is particularly concerned in dealing and setting up shipping & trading business. Here there is a company named Tanuf (National mineral water Company) have undertaken a commitment of plastic waste recycler named PET.

Khaimah | It is an Emirate coordinated towards the protection of river & fisheries policy. The country emphasis on understanding the scientific basis of river ecology in relation to MRC's aim of water supply management, livelihoods, and sustainable development. Through this project it is hoped that everyone will understand the value of natural wealth.

Quwain | It occupies a remote space in an emirate.

Ajman | Ajman is the smallest of the seven emirates and is located at the center of the western coast of the UAE. Though it is the smallest 90% of the population
resides in Ajman. And here there are 2 companies dealing in cosmetic & chemical coating sectors that try to produce products that don’t adversely affect the population and environment.

9. **MAJOR INDUSTRY** of UAE

**List of Industries in UAE**

- Oil Industry
- Natural Gas Industry
- Electricity Industry
- Tourism Industry
- Gold & Diamond Industry
- Fishery & Agriculture Industry
- Dates Industry
- Defence-Aero space Industry
- Construction Industry
- Pharmaceuticals Industry
- Electronic Equipment’s Industry
- Telecom Industry
- Transportation Industry
- Service Sector Industry
- Automobile Industry

**Major Industries in UAE**

- Oil & Natural Gas Industry
- Gold Industry
- Tourism Industry
- Fishery & Agriculture Industry
- Dates Industry
- Defence-Aero Space Industry
- Electronic Equipment’s Industry
- Construction Industry
**OIL & NATURAL GAS INDUSTRY**

UAE is the major producer of Natural Gas & Oil. It is at the 7th position in the world. The reserves of Oil & Natural Gas are majority found in Abu Dhabi. The 2nd place after Abu Dhabi is Dubai where resources are found at Sharjah & Ras Al Khaimah are places where the reserves are found in small amount.

**INDIA WITH OIL & NATURAL GAS IN UAE**

**Export:**
In 2009, UAE exported 2.32 Million bbl/d in Asian market.
Japan is main market which encompassing 40% of export volume from UAE.
South Korea & Thailand are also major destinations.

**Import:**
India import Oil from UAE.
In 2010-11 India import 14.2 MMT from UAE & placed 5th largest import source of Crude Oil

**GOLD INDUSTRY**

**INTRODUCTION & GROWTH OF GOLD**

Dubai is known as city of Gold.
90% of market is pain Gold Jewellery & rest 10% is Gem set.
It is fastest growing Gold centre in the world.

**GOLD INDUSTRY IN UAE**

India import Gold from UAE.
India import 40% of Gold from Dubai market.
India Export $ 5.7 Billion & Dubai is re exporting country came 2nd in terms of import $ 5.17 Billion.
TOURISM INDUSTRY

INTRODUCTION & HISTORY OF TOURISM
Dubai’s Tourism figures are at an all-time high as new figures reveal that the sector contributed 31% of the emirate’s GDP in 2011.
DTCM (Director-General Khalid A bin Sulayem said: “Dubai Tourism figures are very promising with the Emirate hosting 9.3 million hotel guests houses & cruise passengers in 2011.
Tourism sector set to contributes US$19.9 billion to UAE Economy.

INDIA WITH TOURISM INDUSTRY IN UAE
Indian people contribution the main role of tourism in UAE. As the main contribution of the guests in Dubai’s tourism industry are 873,152 guests, & hence among it, Indian people contribution is around by 702,142.

CONSTRUCTION INDUSTRY
In the all over the world, the UAE presently has one of the most fastest and rapidly growing economies and one of the largest GDPs. As to achieving the sustainable growth, the local government had started the development of non oil sectors with encouragement for reducing the dependence on oil and gas sector. The government invested 9 billion for the developing the construction sector.

AEROSPACE & DEFENCE INDUSTRY
The united arabemirates is the most political stable county in the arab world. Their military and major commercial airlines are currently in process of expanding its aircraft fleets over the next several years. United arabemirates’s aviation sector has played a significant role in the country’s economic success. As per latest research, the global aerospace and defense industry is flying in to trouble after growth stalled to just over 2%. The sector grew to US$ 681 billion in 2011, but
with revenue up 2.3%, which was down on 2010’s poor performance of 2.5%, while global earnings and margins were down 3.1% and 5.3%, from a research Deloitte Touche Tohmatsu revealed.

**AGRICULTURE AND FISHERY INDUSTRY**
Agriculture, live stock and fisheries are primary sources to raise the contribution to GDP contribution has decline from 2.4% in 2004 to 0.8% in 2008 and then later it increased by 1% in 2009 The relative importance of food, beverages and tobacco amounted to about 16% of total consumer basket in Abu Dhabi in 2009 Production went up from 494000 tons in 2005 to 1.25 million tons in 2009 Exports increased in 2009 for the fruits, vegetables, animals & fish Meat & poultry production went up by 2.6% & egg production rose by 4.6% during 2009

**DATE INDUSTRY:**
UAE with total land area of 83600 km2 which includes 200 islands which is populated by 2.443 millions people Country is majority divided in 2 zones which influences the production of agriculture of the country Coastal region with hot & humid summers are warm winter & inland region which are more dryer

**ELECTRONICS EQUIPMENTS INDUSTRY**
Most of companies in UAE includes to providing services under electronics equipment suppliers and services have to focus on the business computing needs of manufacturing companies, retail and distribution networks. the electronic equipments are highly used is Electronic commerce, commonly known as e-commerce or e-comm. It is refers to the buying and selling of products or services over electronic systems such as the Internet and other computer networks.

**INDIA-UAE RELATIONS**
UAE’s economically, socially, politically & cultural linked with India and is matured and multi-domestic Through international trade people will be in close contact with each other. Strong bonding between UAE & India further shows the relation between both the countries will be strengthen in near future The relation between both the country is strongly depended on cultural contacts of both the country
10. TRADING PARTNERS

World’s all the countries do trading with each other. They export the goods and services to other countries that need that products and import the goods and services needed from other countries that have extra sources. Major trading partners of the country are the countries trading together from whom they import or export the goods and services. To understand trading partners, let’s first of all understand what is trade? And what is trading partners? Trade is a system through which two or more parties’ exchange goods and services in exchange of money or net worth. Trading partners are one of the two or more participants in an ongoing business relationship.

List of leading trading partners of the world

The leading import and export trade partners for most countries of the world are listed below.

<table>
<thead>
<tr>
<th>Country</th>
<th>Major Export Market</th>
<th>Major Import source</th>
</tr>
</thead>
<tbody>
<tr>
<td>UAE</td>
<td>India</td>
<td>European Union</td>
</tr>
<tr>
<td>Ukraine</td>
<td>European Union</td>
<td>Russia</td>
</tr>
<tr>
<td>Thailand</td>
<td>European Union</td>
<td>Japan</td>
</tr>
<tr>
<td>Singapore</td>
<td>Hong Kong</td>
<td>European Union</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>United States</td>
<td>Côte d'Ivoire</td>
</tr>
<tr>
<td>Russia</td>
<td>European Union</td>
<td>European Union</td>
</tr>
<tr>
<td>Philippines</td>
<td>European Union</td>
<td>Japan</td>
</tr>
<tr>
<td>Panama</td>
<td>United States</td>
<td>United States</td>
</tr>
<tr>
<td>Pakistan</td>
<td>European Union</td>
<td>European Union</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>United States</td>
<td>United States</td>
</tr>
<tr>
<td>New Zealand</td>
<td>Australia</td>
<td>Australia</td>
</tr>
<tr>
<td>Mongolia</td>
<td>China</td>
<td>Russia</td>
</tr>
</tbody>
</table>
Major Trading partners of UAE:-

UAE do trade whole around the world, with more than fifty countries.

UAE Foreign Trade was intense at 57% in 2010 and 59% in 2011, respectively in top ten countries. The other 180 countries contributed 43% in 2010 and 41% in 2011, with an expansion rate of 37%. The leading 10 countries contributed 65% and 70.05% to the UAE's total non-oil export amount in 2010 and 2011, correspondingly, while the other contributed 35.2% and 30% during the 2010 and 2011. India ranked first in UAE exports with a total of $4.9 billion, comprising 28.45% of UAE non-oil exports in 2010. The Ministry of Foreign Trade’s report, UAE has depended on non-Arab Asian countries for about 44% of its trade volume. UAE’s non-oil trade was $214.6 billion, a 42% increase from 2010. Despite government tries to raise trade between regional partners, only Iran and Turkey involved into leading trade partners. Imports rise by 46% in 2011 to $154 billion, in spite of a 35.05% flow in sell abroad, the UAE’s non-oil trade deficit widen from $61 billion to $93 billion.

List of Top 5 leading Trade Partners of the UAE:-

Below are the leading five major trading partners of with their import percentages and amount.

<table>
<thead>
<tr>
<th>Name of Countries</th>
<th>Amount</th>
<th>Percentage (100%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>24547.4</td>
<td>17.60%</td>
</tr>
<tr>
<td>China</td>
<td>17711.5</td>
<td>13.81%</td>
</tr>
<tr>
<td>U.S.</td>
<td>9666</td>
<td>7.5%</td>
</tr>
<tr>
<td>Germany</td>
<td>6090.7</td>
<td>5.63%</td>
</tr>
<tr>
<td>Japan</td>
<td>7253.66</td>
<td>4.75</td>
</tr>
</tbody>
</table>
## Top 5 Export partners

<table>
<thead>
<tr>
<th>Name of Countries</th>
<th>Amount</th>
<th>Percentage (100%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>21286</td>
<td>16.6%</td>
</tr>
<tr>
<td>India</td>
<td>20019</td>
<td>13.55%</td>
</tr>
<tr>
<td>Iran</td>
<td>15409</td>
<td>7.01%</td>
</tr>
<tr>
<td>South Korea</td>
<td>8359</td>
<td>6.5%</td>
</tr>
<tr>
<td>Thailand</td>
<td>6029</td>
<td>5.09%</td>
</tr>
</tbody>
</table>

## Top 5 Trading Partners

<table>
<thead>
<tr>
<th>Name of Country</th>
<th>Amount</th>
<th>Percentage (100%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>45835</td>
<td>17.9%</td>
</tr>
<tr>
<td>EU</td>
<td>31780</td>
<td>12.5%</td>
</tr>
<tr>
<td>Japan</td>
<td>26182</td>
<td>10%</td>
</tr>
<tr>
<td>China</td>
<td>20705</td>
<td>8.02%</td>
</tr>
<tr>
<td>Iran</td>
<td>16131</td>
<td>6.5%</td>
</tr>
</tbody>
</table>
India-UAE Trade:-

- India is 1st as major trading partner of UAE with 18% of UAE trade.
- There continuous increase in export as well as import between these two countries.

Import Product:-

<table>
<thead>
<tr>
<th>Products</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessories</td>
<td>10125</td>
</tr>
<tr>
<td>Gems</td>
<td>11000</td>
</tr>
<tr>
<td>Jewelry man-made yarn</td>
<td>14525</td>
</tr>
<tr>
<td>Fabrics marine product machine</td>
<td>16228</td>
</tr>
<tr>
<td>Instrument plastic</td>
<td>12147</td>
</tr>
<tr>
<td>Linoleum tea</td>
<td>9719</td>
</tr>
</tbody>
</table>

India rank second as an import partner 13.8% of total import Cotton Fabrics marine product machine Fabrics marine, product machine, Instrument plastic etc.
Export Product

India UAE export partner 4.8%.
The details of export products are explain as follows.

<table>
<thead>
<tr>
<th>Product</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plastic &amp; linoleum</td>
<td>15910</td>
</tr>
<tr>
<td>Man-made yarn/fabs/made-ups</td>
<td>17091</td>
</tr>
<tr>
<td>Cotton yarn/fabs/made-ups etc.</td>
<td>18730</td>
</tr>
<tr>
<td>Gems &amp; jewellery</td>
<td>13756</td>
</tr>
<tr>
<td>Tea</td>
<td>2940</td>
</tr>
</tbody>
</table>

The UAE’s first export partner is India. India imports the products such as Plastic & linoleum, Man-made yarn/fabs/made-ups, Cotton yarn/fabs/made-ups etc.
PART – II
EXECUTIVE SUMMARY OF INDUSTRY
1. **DAIRY INDUSTRY**

A dairy is a business venture recognized for the harvest of animal milk – typically from cows or goats along with buffalo, sheep, horses or camels for human utilization. Terminology differs from country to countries. For instance, in the US, a farm where milk is harvested is generally called a "milking parlor".

Sometimes milking sheds are known as "pit parlour".

As an attributive, the word dairy refers to milk-based products, covering, derivatives and processes, and the animals and workers involved in their production: for example dairy cattle, dairy goat. A dairy farm produces milk and a dairy factory processes it into a various dairy products. This establishment comprises the dairy industry, a part of the food industry.

Milk and dairy products restrain many nutrients and provide a quick and easy way of supplying these nutrients to the diet within reasonably few calories. Milk, cheese and yogurt all provide the following beneficial nutrients in varying quantities. Milk producing flora and fauna has been cultivated for thousands of years. Primarily, they were part of the continuation farming that nomad occupied in. With industrialization and urbanization, the supply of milk became a money-making industry, with dedicated breed of cattle being developed for dairy, as divergent from grumble or draught animals. Originally, more people were engaged as milkers, but it soon turned to automation with equipment intended to do the milking. Dairy plants course the raw milk they obtain from farmers so as to enlarge its marketable existence. PESTLE is a shortlist for a list of “macro-economic” factors which are Already present; or may, at some time in the future, affect our business.

“Macro-economic” is a fancy way of describing those external factors which affect our business but over which one’s business has no control.

Those factors are grouped under the following headings:

- Political
- Economic
- Socio-cultural
- Technological
- Legal
- Environmental
Political
The agreement on the Health Check established the obligation to abolish UAE milk quotas in 2015 with agreement also reached on measures to prepare the UAE dairy industry for this scenario. WTO – While the benefits of a multilateral trading system and the lift that could be given to the world economy from a successful deal are recognised, any such deal must be unbiased and must take account of the UAE’s own interests, especially in agriculture.

Economic
General Economic Climate – Growing population levels, improved standards of living and changing dietary prototype particularly in Asia, have all contributed to increased food demand. But, following a period of record commodity prices particularly for dairy and some cereals in late 2007 and early 2008 prices have fallen significantly as the world economy is experiencing a noteworthy downturn due to a combination of adverse macroeconomic factors. Despite this the medium term projection for agricultural commodities on world markets are quite good.

Social
Demographics - The average farm size of these dairy farms is 48.7 hectares, which is the second largest average area by farm type and is higher than the 32.3 hectares average for all farms. The age report of specialist dairy producers is the youngest of any farm type in UAE. 8.2% of dairy farmers are less than 35 years of age compared with 6.9% on average, while 13.9% are greater than or equal to 65 years of age contrast with 24.9% on average. This younger age structure is a source of hopefulness for the sector as increases the possibility of new technologies being adopted on these farms.

Technological
Research and Development – There has been a time-honored need to develop the industry’s product mix particularly so given the competitive pressures related with the recent dairy commodity price decreases and the ongoing removal of price supports. The industry desires to become less dependent on low margin commodity products and focus more on the higher value added products. To attain this, ongoing research and development is necessary.
Environmental
Climate Change – An international conformity on climate change this year may increase the required decrease in UAE’s greenhouse gas emissions from 20% to 30% of 2005 levels by 2020 and up to 85% by 2050 according to the Bali action plan. A 30% reduction in UAE’s agriculture sector release would require a reduction in releases by 5.87 million tonnes from 19.58 in 2005 to 13.71 in 2020.

However, recent GHG replica research conducted by Teagasc suggests that there is capacity in the dairy sector to increase the GHG efficiency of milk production per unit of product, by up to 20% compared to 2008 levels, through the adoption of key technologies.

Legal/Regulatory
Water Framework Directive (WFD) – This directive’s purpose is for all surface waters and ground waters to attain good water status by 2015. To realize this River Basin Management Plans (RBMPs) has been agreed and adopted in early 2010. It is predicted that the agricultural measures that will be contained in the RBMPs at the outset will be derived from the Nitrates Action Programmed. However where any water objective may not be reached, supplementary measures to the RBMPs will be introduced. Prices of food have been rising in the middle east in recent years due in part to monopolistic activities by the import and distribution facets. The liberalizing trade in 12 areas action taken by The UAE considering dairy.

It’s expectation that the prices of food will be stabilize and modify the competitiveness of the UAE economy. The consumption of food in UAE is projected to show further great growth between now and 2015. Due to foreign investment and government attempts to increase domestic food production and self-sufficiency, production facilities have started to spring up with increased regularity. The dairy industry at the expansion of this center, which has a rank among the world’s most competitive. Consumption of dairy products per capita is high approximately 80-85kg per annum, and consequently this profitable sector is highly vibrant and competitive, with many dairies in operation. The Dairy sector, in this sector the local production is concentrate on the biggest segments- Milk, Yoghurt and Laban.

In the UAE successful establishment acts as an advert to the rest of the Middle East, with other countries are looking to the market to find future trends. Improving health consciousness has
been importantly increased opportunities for food producers that are capable to introduce „healthy” or „light” options. At work lifestyles and more women entering the workforce will continue to add impetus to the packaged and processed food industries.

Profit margins will suffer owing to the government imposing Duties on the price of basic foods and threatening fines if these are not adhered to.

Here many dairy farms which scattered throughout the United Arab Emirates selling various dairy products such as fresh milk, laban (yogurt), fresh cream, butter, butter ghee, various cheeses, eggs, laban'a (yogurt cheese ) and fresh Laban'a ( yogurt cheese balls ) to name a few.

India have the top farm animals residents in the earth with 50% of the buffaloes and 20% world cattle population, majority of which be milk cows and milk buffaloes . India dairy industry consider as signal of the majority winning growth programmed in the post independence era Availability of skill for animal background in mainly parts of the country. Indian breed of cows signify the world’s largest A2 milk produce heard Coexistence of ineffective while huge part of cattle residents has little production.

Too much split manufacture of milk. Farmers have reduced information happening price of milk like mainly of the cost be impute overheads. Land cost for upward food is never planned as it is complete on gochar land. Labor is attractive costlier. Large opportunity in carbon credit and expansion of non predictable atmosphere pleasant source of power during dairying. No motivation on entering into this sector unlike other food processing and meat sector No food policy and it is not clear in which ministry does food fall. No firm plan on procreation/offspring test and safety. No control on idle animals development both for bull and cow. The dairy industry is undergoing major developments because of the the liberalization and open policies of the Government and the restructuring of the economy. This has brought about greater participation of the private sector. This is also steady with global trends, which can hopefully lead to greater integration of Indian dairying with the world market for milk and milk products. India is witnessing winds of change because of improved availability of milk, a changeover to market economy, globalization and the entry of the private sector in the dairy industry. Dairy development in India has been acknowledged the world over as one of the highly victorious programmed. Dairy sector is the single largest contributor of agricultural sector to India’s gross domestic product, with its annual value exceeding Rs. 100,000 crores.
The milk production in India, accounts for more than 14 per cent of the world and 57 per cent of Asia’s total production. India now has unquestionably the world's biggest dairy industry—at least in terms of milk production; last year India produced close to 100 million tonnes of milk, 15% more than the US and three times as much as the much-heralded new growth champ, China.

Appropriately, India also produces the biggest directory or encyclopedia of any world dairy industry. Gujarat, Maharashtra, Himachal Pradesh, Madhya Pradesh, Punjab, Rajasthan, Tamil Nadu are the major production area of Dairy Products in India. The United Arab Emirates depends on international trade to foster its persistent expansion.

Gulf Cooperation Council (GCC) Customs Union was acceded by UAE as GCC equalizes the duties that is paid on the entry of an item to any member state, regardless of the country of destination within Gulf Cooperation Council (GCC).

For example, an item that is imported into the UAE meant for the Saudi market is subject to the 5% duty once it enters the market of UAE. In theory, the trader is not required to pay custom duties again to take that item across the Saudi Arabian border.

The Customs duty for most of the items is calculated on the value of CIF, at the rate of 5%. 50 percent duty is assessed on alcoholic products, while tobacco products are being assessed at 100% customs duty.

The agent or consignee should obtain from the Shipping Agent a delivery order and submit original standard trade documentation, which consists certificates of origin, bills of lading, commercial invoice, export declaration and various embassy or government attestations.

These are the documents that must be presented for all the imports and exports. Various guides for free for doing business in the UAE are available from accounting and law firms that are located in the UAE. In addition to this, the US Embassy Agricultural Trade Office has published a Food Exporters Guide for doing or caring out business in the GCC-5. (namely, Bahrain, Kuwait, Oman, Qatar and UAE).

Imports that are restricted: Tobacco products, pork products and alcoholic products. Labels on food must include product and brand names, production, expiry dates, country of origin, manufacturer’s name and address, net weight in metric units, and a list of ingredients/contents and additives in descending order of
importance. All fats and oils used as ingredients must be identified specifically on the label. Labels must be in Arabic only or Arabic/English language. Stickers in Arabic are accepted. Note: production and the expiry dates must be printed on originally manufactured installed label. As the Indian dairy sector produces milk without any subsidies, the country stands to gain from the fair implementation of WTO agreements.

India needs to prepare itself to access the markets of developed countries such as the European Union, USA and Japan, and has already an edge with regard to the deficit regions of South and Southeast Asia, Middle East and Africa for supply of dairy products at competitive price. Intensive efforts are needed to meet the WTO’s Sanitary and Phytosanitary (SPS) and Technical Barriers of Trade (TBT) agreements and Codex Alimentarius Commission guidelines on quality and safety.

As per the Federal Law, a total local equity of more than equal to 51% in any commercial company and defines seven categories of business organizations, which can be established in United Arab Emirates.

It sets out the requirements in terms of shareholders, directors, minimum capital levels and incorporation criteria.

The seven category of business organisation defined by the Law are:

The General partnership company
The Partnership-en-commendam
The Joint venture company
The Public shareholding company
The Private shareholding company
The Limited liability company (LLC)
The Share partnership company

Out of the given seven types of companies, LLCs are most commonly preferred by the foreign investors. UAE’s tax free nature is striking to many entrepreneurs, but it’s significant to keep in mind the fees involved in issuing a new trade licence. If you are planning to start a business in one of UAE’s many free zones, keep in mind that each free zone has different start-up processes and fees. Many free zones also need that the business owner have a minimum amount of capital if they are establish the company or enterprise in the free zone as opposed to just opening a branch of an existing company. Another cost of
running a business in UAE or in a free zone is sponsoring your employees and providing them with the necessary visas and paperwork to allow them to reside in the country.

The UAE Commercial Companies Law (CCL) necessitate that each company established in the UAE has one or more UAE national partners who hold at least 51 per cent of the company's capital. Companies that undertake definite activities (oil industry, production of electricity and gas, treatment and distribution of water) are exempt from the 51 per cent necessity. Companies established in free zones are also exempt from the 51 per cent requirement, if the relevant free zone has special provisions regulating the company. Foreign banks are exempt from having to appoint a supporter. Labeling policy can vary between individual emirates but the liberal approach of the main import emirate of UAE is generally accepted by the other emirates.

Arabic labeling is obligatory and can be printed on a sticker. The UAE as a federation does not have any income tax rules, with each emirate enforcing its own income tax rate for oil companies and foreign banks. As it rests primarily on migrant workers, the UAE has worked to present itself as an employee-friendly nation. The UAE has notably grown all sectors of its economy over the past decade and is a substantial net importer of most products and services.

Fuelled by petrochemical revenues of its own, but combined with similar equity flowing in from around the region, the country made substantial investments in its transportation in an attempt to future-proof its economy for when the oil reserves go into decline. The scale, pace and range of developments attracted global attention and, as such, the market is very competitive. Most business people either speak English or have an English-speaking person on their staff.

Gulf Arabs are generally not early adapters and tend to make traditional choices. This is varying as younger generations start to move into position. Not being a manufacturer of oil, Ras al-Khaimah has focused on developing its industrial sector. Today, the emirate is home to many national organization, government agencies, and international companies. The emirate is rapidly emerging as an investment destination.
2. GOLD INDUSTRY

Introduction to UAE Gold Industry:-

The Gold and jewellery industry occupies an important position in the UAE economy. It is a leading foreign exchange earner, as well as one of the fastest growing industries in the country. The two major segments of the sector in UAE are gold jewellery and diamonds. Gold jewellery forms around 90 per cent of the UAE jewellery market, with the balance comprising fabricated studded jewellery that includes diamond and gemstone studded jewellery. Gold sector plays UAE’s second highest earning sector after oil & Gas. UAE’s Gold & Jewellery industry is highly unorganized and fragmented with 91 percent of the total players being family owned businesses. The emirate has been building up to its present image, earning popularity for its quality products and for the shrewdness in its re-export activity to regional markets. Main hub of UAE Gold & Jewellery industry is Dubai. Dubai is considered to be a “City of Gold”. All the Gold & Jewellery business in UAE are controlled by Dubai.

For smoothly working of UAE Gold sector government formed Dubai Gold & Commodities exchange. It provides all the information related to regular flotation in Gold Prices, Purchase & sell of Gold at International Market. The Dubai Multi Commodity Center (DMCC) has established a free zone that made Dubai a hub of gold and other precious metals manufacturing and trading DMCC provides a market and physical infrastructure that support all market participants in the value chain. Trade advice and input is provided by organizations like Dubai Gold advisory group, Gold and Jewelry group and World Gold Council. The critical success factors for gold and jewelry market in Dubai have been international standards, transparency, readily available statistics, fair and simple rules, low cost, low tax, and competitive freight rates. Dubai Gold and Jewellery Group was established in 1996. It has 560 members and represents all sectors of the trade including bullion trade, manufacturing, wholesale and retail.

Dubai is the Middle East supply hub for the jewellery market. 95% of all jewellery sold is above 21 karat; the rest is 18 karat. Dubai has over 600 shops, the densest concentration in the world.
Dubai's Gold Souk has 275-plus shops in a half a square kilometre area. At any given time over 25 tons of gold is on display in jewellery shop windows. Dubai is the world's second largest redistributors of bullion; it imports 360 tons and re-exports almost all of it (350 tons). Dubai made the world's longest gold chain during Dubai Shopping Festival 99. The chain was made in 22k gold and measured 4.2kms. 9,600 people bought the chain in neckwear and bracelet size pieces.

UAE’s Per capita gold bought every year of 34 grams, more than announce (31.1g), is the highest in the world. More than UAE’s two thirds of the population buy gold at least once a year. 48% of all gold is for gifting. 28% is for self. 95% of all tourists buy gold. 90% of all jewellery in Dubai is imported. Imports come from Saudi, India, Pakistan, Thailand, Italy, Malaysia, Singapore, and Bahrain.

**PESTEL Analysis of UAE-:**

**Political**: Each Emirate has its own governmental institution. The ruling family of each Emirate is a member of the Supreme Council, which is responsible for policy-making and electing the president and vice president for five-year terms.

**Economic**: Wealth is based on oil and gas exports (Abu Dhabi) The government increased spending for infrastructure and job creation, and there is a greater opportunity for private sector investment. Lately there has been a surge in real estate and shares prices and consumer inflation is elevated.
Social: Islam plays a large role in business. Women are seen as equals and are protected by rights and privileges laid down by Islam.

Technological: Telephones (land line and cell), radio broadcast stations, television, internet.

Environmental: Arid/tropical, sandy desert, and coastal areas.

Legal: Court proceedings in the UAE are time-consuming. There are no juries; only a single judge or a three-judge panel (depending on the case) hears cases. All evidence submitted to the court must be in Arabic.

Major Supplier of Gold Jewellery to UAE:

Following are the Major Supplier of Gold Jewellery to UAE:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>India</td>
</tr>
<tr>
<td>2</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>3</td>
<td>Pakistan</td>
</tr>
<tr>
<td>4</td>
<td>Thailand</td>
</tr>
<tr>
<td>5</td>
<td>Italy</td>
</tr>
<tr>
<td>6</td>
<td>Malaysia</td>
</tr>
<tr>
<td>7</td>
<td>Singapore</td>
</tr>
<tr>
<td>8</td>
<td>Bahrain</td>
</tr>
<tr>
<td>9</td>
<td>Switzerland</td>
</tr>
<tr>
<td>10</td>
<td>Hong Kong</td>
</tr>
</tbody>
</table>

Difference B/W UAE & India Gold Price:

We mostly heard Dubai gold is cheaper than other country but there is no difference between India & Dubai gold rate. The gold rates are going up down due to currency rate & shares. All our world u will find the same rate if you compare any other country currency current rate u will find out the same rate in your home country.
for example here in Dubai today gold rate is 140 Dhs per gram & the Indian currency rate is 1 Dirham’s = 12.50 fils of Indian rupees its mean 140 x 12.50 = 1750 its mean there in India the gold rate will be 17500 rupees for 10 gram of 24c gold The difference between the quality of gold ornament & biscuit the Dubai gold ornament little bit good compare to India ornament here is Dubai mostly the jewellery made by 22c to 20c of gold. Simple logic the difference between the gold qualities.

So, we can say that there is no difference between India and Dubai gold price.

**Current Gold Price in UAE-:**

This table shows the Gold Price in UAE & USA Dollar as per 30, March 2013.

<table>
<thead>
<tr>
<th>Carat</th>
<th>Current gold rate per Gram in Dirham (AED)</th>
<th>Current gold rate per Gram in The U.S Dollar (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold rate per 24K Gram</td>
<td>188.59 AED</td>
<td>51.34 USD</td>
</tr>
<tr>
<td>Gold rate per 22K Gram</td>
<td>172.94 AED</td>
<td>47.08 USD</td>
</tr>
<tr>
<td>Gold rate per 21K Gram</td>
<td>165.02 AED</td>
<td>44.93 USD</td>
</tr>
<tr>
<td>Gold rate per 18K Gram</td>
<td>141.44 AED</td>
<td>38.51 USD</td>
</tr>
<tr>
<td>Gold rate per 14K Gram</td>
<td>109.95 AED</td>
<td>29.93 USD</td>
</tr>
<tr>
<td>Gold rate per 10K Gram</td>
<td>78.64 AED</td>
<td>21.41 USD</td>
</tr>
</tbody>
</table>

Gold rate today in UAE per Gram, Last updated on Saturday, 30 March - 2013 11:30 AM - Dubai local time
Indian Gold Market Scenario:-

An important emerging sector of Indian economy, gem and jewellery is a leading foreign exchange earner for the country. The country consumes around 800 tonnes of gold that account for 20% of global gold consumption and nearly 600 tonnes of this goes into jewellery making. The Indian jewellery market, which is estimated to be US$ 13.5 billion in fiscal 2006-07, accounts for 8.3% of the global jewellery sales, according to a study by KPMG. The increase in purchasing parity of the middle class and surging income levels have resulted in consumption growth of gems and jewellery by about 11% in the 5 year period preceding 2006-07.

It also contributes over 15% of the total exports of country and provides employment to 1.3 million people directly and indirectly. The two major segments of the gem and jewellery industry in India are gold jewellery and diamonds. The contribution of gold jewellery is about 80% of the total jewellery market, with the balance comprising fabricated studded jewellery, which includes diamonds as well as gemstone studded jewellery.

Indian jewellery sector is well supported by Government policies and the banking sector, with around 50 banks providing about US$ 3 billion credit to the Indian diamond industry. In addition, the country is expected to have a diamond bourse soon.
## India’s Major Export Destination in Gold Jewellery:

<table>
<thead>
<tr>
<th>Item</th>
<th>Country</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Plain Gold Jewellery</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UAE</td>
<td>72.2</td>
</tr>
<tr>
<td></td>
<td>USA</td>
<td>11.9</td>
</tr>
<tr>
<td></td>
<td>UK</td>
<td>11.4</td>
</tr>
<tr>
<td></td>
<td>Singapore</td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td>Hong Kong</td>
<td>1.4</td>
</tr>
<tr>
<td><strong>Gold Jewellery with Diamond</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UAE</td>
<td>36.5</td>
</tr>
<tr>
<td></td>
<td>USA</td>
<td>30.7</td>
</tr>
<tr>
<td></td>
<td>Hong Kong</td>
<td>9.1</td>
</tr>
<tr>
<td></td>
<td>China</td>
<td>7.0</td>
</tr>
<tr>
<td></td>
<td>UK</td>
<td>5.0</td>
</tr>
<tr>
<td><strong>Gold Jewellery with Pearls</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>USA</td>
<td>35.9</td>
</tr>
<tr>
<td></td>
<td>UAE</td>
<td>31.8</td>
</tr>
<tr>
<td></td>
<td>Hong Kong</td>
<td>6.2</td>
</tr>
<tr>
<td></td>
<td>UK</td>
<td>5.4</td>
</tr>
<tr>
<td></td>
<td>Singapore</td>
<td>2.7</td>
</tr>
</tbody>
</table>
Difference B/W India & UAE Gold Industry:-

<table>
<thead>
<tr>
<th>Feature</th>
<th>UAE</th>
<th>India</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold Price are fixed in</td>
<td>Dirham</td>
<td>Indian Rupee</td>
</tr>
<tr>
<td>Gold Price are regulated By</td>
<td>DMCC</td>
<td>IMCC</td>
</tr>
<tr>
<td>Rank in Economy</td>
<td>2ed</td>
<td>9th</td>
</tr>
<tr>
<td>Import of Jewellery</td>
<td>90%</td>
<td>20%</td>
</tr>
<tr>
<td>Export of Jewellery</td>
<td>No Export</td>
<td>40%</td>
</tr>
<tr>
<td>Consumption (Year)</td>
<td>200tons</td>
<td>300tons</td>
</tr>
</tbody>
</table>

Setup Jewellery Business in UAE-:

Reason for Set up Jewellery Business in UAE-:

Per capita gold bought every year of 34 grams, more than announce (31.1g), is the highest in the world. More than two thirds of the population buys gold at least once a year. 48% of all gold is for gifting. 28% is for self. 95% of all tourists buy gold. On an average every person buys five pieces of gold jewellery every year. Each piece is worth $400 on average, so the average yearly spend is $2,000. 76% of all Dubai residents own gold. 90% of the jewellery market is plain gold jewellery (as against 10% gem set). 90% of all jewellery in Dubai is imported. Imports come from Saudi, India, Pakistan, Thailand, Italy, Malaysia, Singapore, and Bahrain.

No Foreign exchange control.

No trade barriers or quotas.

No Tax(except for oil companies and some foreign banks)

Competitive Import Duties(4% with many exemptions)

100% repatriation of capital and profits is permitted.

A stable exchange rate remains between the British Pound and the UAE Dirham (as outlined earlier).

Relaxed visa policies allow a painless import of expatriate labour with a varied level of skill from across the world. Enterprising Cost Structure: International businesses relocating or establishing in Dubai can acquire substantial cost benefits not commonly available internationally.
**Basics of Doing Business in UAE:-**

[1] You need local (UAE National or Citizen) partner or a sponsor unless business is established in Dubai Free Trade Zone.

[2] Networking and relationship go much further than in western countries so, make sure that partner with someone well connected.

[3] We need to register for a trade license to start conducting business in Dubai. There is different license trade apply to different business.

[4] Most of Government employee are not local and speak Arabic predominantly. Lear it, or hire a translator or best your sponsor assist you with the business registration process.


[7] There is no any Tax levied on business but license fees and other periodic fees must be paid to government.
Different Ways to Enter in UAE Jewellery Business:

UAE Gold sector is one of the leading in UAE economy. Gold sector has a huge market capture in UAE and Dubai is hub for UAE Gold Industry. For entering in to UAE Gold sector there is a various ways among which 3 mainly different ways are stated below

[1] Opening a Retail Shop in Dubai:- We can start a directly Retail Jewellery store in Dubai by the partnership or sponsorship with the UAE local Citizen.

[2] Starting a Wholesale Jewellery Business:- we can also start a wholesale business with the UAE in which we can do a joint venture with the any company already establish in UAE and supply them a Gold Jewellery.

[3] Taking a Franchising of Any UAE Gold Company:- Here, we can establish the Gold business by taking Franchising of any UAE Gold Jewellery Company and start a Jewellery store in UAE.
Cost Incurred to be Establish Gold Jewellery Business in UAE-:

Cost to set up a Retail Jewellery store in Dubai-:

<table>
<thead>
<tr>
<th>Cost (for set up business)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit to Government</td>
<td>$33500</td>
</tr>
<tr>
<td>Licence Fees</td>
<td>$6000</td>
</tr>
<tr>
<td>Membership of DLG&amp;SA</td>
<td>$5000</td>
</tr>
<tr>
<td>Rent of Shop deposit</td>
<td>$5000</td>
</tr>
<tr>
<td>Initial Capital</td>
<td>$100000</td>
</tr>
<tr>
<td>Advertisement</td>
<td>$500</td>
</tr>
<tr>
<td>Total</td>
<td>$150000</td>
</tr>
</tbody>
</table>

Cost to be establish Wholesale Jewellery Business in UAE-:

<table>
<thead>
<tr>
<th>Cost</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit to Government</td>
<td>$33500</td>
</tr>
<tr>
<td>License Fees</td>
<td>$6500</td>
</tr>
<tr>
<td>Initial Capital</td>
<td>$50000</td>
</tr>
<tr>
<td>Agreement Cost</td>
<td>$4000</td>
</tr>
<tr>
<td>Total</td>
<td>94000</td>
</tr>
</tbody>
</table>

Cost of Taking Franchising Business-:

<table>
<thead>
<tr>
<th>Cost</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit to Government</td>
<td>$33500</td>
</tr>
<tr>
<td>Deposit to Company</td>
<td>$150000</td>
</tr>
<tr>
<td>License Fees</td>
<td>$6500</td>
</tr>
<tr>
<td>Initial Capital</td>
<td>$50000</td>
</tr>
<tr>
<td>Agreement Cost</td>
<td>$4000</td>
</tr>
<tr>
<td>Total</td>
<td>244000</td>
</tr>
</tbody>
</table>
3. **STEEL INDUSTRY**

According to our new research report, “UAE Steel Industry Analysis”, demand for steel products have rushed immeasurably over the past few years, backed by construction boom, growth in the real-estate investment, & rising income level. The apparent consumption of finished steel products is likely to reach more than 8 Million Metric Tons by 2014-end. The UAE steel industry in the past has been highly import-oriented. Steel imports grew around 15.5 percent to about 6.7 Million Metric Tons in 2010. With the decrease in import tariff by the GCC, imports of steel are expected to increase in the years to come.

Our research further discloses that real-estate projects in Dubai & Abu Dhabi are presently the key driving forces behind the growth of the UAE steel industry. Even government support towards expanding the economy from being an oil-based economy is playing a critical role in sponsoring investment & growth in the steel industry. On the basis of current market trends & forestalling the future prospects, we have showed a complete analysis of the UAE steel industry. The report covers various aspects of the steel industry, debating its production, consumption & import/export. With huge growth potential, our research foresees huge opportunity for various market players like Emirates Steel Industries, Al Nasser Industrial Enterprises, etc.
It also serves at offering the aiming clients with a strategic insight into the UAE steel industry to show a better picture of the market & position accordingly for the maximum benefit. The UAE has observed an outstanding development & revolution over the past few years, owing to high oil wealth. Further with unexpected growth in the construction & infrastructure industry, the country has possibly attracted major investors from all around the world. According to our new research report, “UAE Steel Industry Analysis”, demand for steel products have rushed vastly over the past few years, backed by construction boom growth in the real-estate investment, & rising income level.

PEST ANALYSIS OF UAE STEEL INDUSTRY

A PEST analysis is an analysis of the external macro-environment that affects all firms. P.E.S.T. is an acronym for the Political, Economic, Social, & Technological factors of the external macro-environment.

<table>
<thead>
<tr>
<th>POLITICAL ANALYSIS</th>
<th>SOCIAL ANALYSIS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political stability</td>
<td>Demographics</td>
</tr>
<tr>
<td>Risk of military invasion</td>
<td>Class structure</td>
</tr>
<tr>
<td>Legal framework for contract enforcement</td>
<td>Education</td>
</tr>
<tr>
<td>Intellectual property protection</td>
<td>Culture (gender roles, etc.)</td>
</tr>
<tr>
<td>Trade regulations &amp; tariffs</td>
<td>Entrepreneurial spirit</td>
</tr>
<tr>
<td>Favored trading partners</td>
<td>Attitudes (health, environmental consciousness, etc.)</td>
</tr>
<tr>
<td>Anti-trust laws</td>
<td>Leisure interests</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ECONOMIC ANALYSIS</th>
<th>TECHNOLOGICAL ANALYSIS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of economic system in countries of operation</td>
<td>Recent technological developments</td>
</tr>
<tr>
<td>Government intervention in the free market</td>
<td>Technology's impact on product offering</td>
</tr>
<tr>
<td>Comparative advantages of host country</td>
<td>Impact on cost structure</td>
</tr>
<tr>
<td>Exchange rates &amp; stability of host country currency</td>
<td>Impact on value chain structure</td>
</tr>
<tr>
<td>Efficiency of financial markets</td>
<td>Rate of technological diffusion</td>
</tr>
</tbody>
</table>
STEEL SUPPLIERS FROM INDIA TO UAE

India's Essar group has announced its plans to set up three steel plants involving an investment of around $1.5bn in the Middle East, of which the first will be commissioned by the first half of 2009. It has signed a 50:50 joint venture agreement with Qatar Steel to set up a 1.5 mt/y steel plant. This will include a $325m HBI plant in the first phase & a 1.5mt/y long products EAF rolling mill costing $300-400m in the second phase.

Construction of this project is likely to exchange in November & with commissioning planned for 30 months later. Essar has already obtained the l& for the proposed plant & the finalized the financing for the project, & is now aiming to sing natural gas contracts with the Qatar government.

Its second projected Middle East steel plant will be located in Iran & is identical to its proposed Qatar plant with respect to product, capacity & equipment. Essar will take up a 60percent stake in this Iranian plant with pension funds holds the remaining 40percent Its third investment is a $200m 1mt/y rolling mill to be located at the Hamriyah Free Zone on the outskirts of Sharjah, UAE.

Essar Group also owns & operates Essar Steel, an integrated steel mill at Hazira. It is in the process of expanding its HRC capacity from 2.4mt/y to 4.6 mt/y this calendar year. A UAE based steel fabricator Emirates Building Systems is to set up a fabricating yard with an Indian partner in Khopoli, Maharashtra province. Emirates; which are a subsidiary of Dubai Investments Industries (DII), will not reveal who the Indian partner is, although DII described it as, “a major player in the Indian industry.”

“We are in final discussions with an Indian company to establish a steel fabrication facility. Our assessment is that India has great growth potential so we want to position ourselves in that market,” he says. The Indian fabrication plant will have a capacity of 50,000 tones/year. Emirates are also expanding its Dubai fabrication plant from 45,000 t/y to 80,000 t/y.
Indian steel pipe maker PSL Ltd. has secured a $20m contract to supply spiral welded pipe to Oman, Steel Business Briefing learns. It is to be used in a major water project that involves connecting the Gulf State's major towns using a cross country trunk pipeline. This is the second large Middle East project in recent months for PSL, one of the largest pipe manufactures in India. In September the company secured a contract valued at over $17m from the UAE to supply pipe for a high pressure gas pipeline project.

UAE & INDIA’S STEEL MARKET SCENARIO

UAE MARKET SCENARIO
The Cooperation Council for the Arab States of the Gulf (GCC), which includes Saudi Arabia, Kuwait, Bahrain, Qatar, United Arab Emirates, & the Sultanate of Oman, imported 14.3 million tons of steel in 2005, contribution of UAE being just in excess of 4 million MT. The figure is expected to reach 21 million tons per annum by 2008 if a traditionalist growth rate of 10 percent is maintained. The seven GCC countries have launched many development projects in recent times, especially after the oil price increases of the past two to three years.

High financial revenues can be singled out as a direct effect of the oil price increases, so it makes economic sense for GCC countries to begin new developments & gas & oil projects when oil prices are high, & this is what the GCC countries did after the oil price increase in 2003. Meanwhile, this small country, as the main free zone in the Arabian Gulf usually facilitates the re-export of goods to other neighboring countries, in particular to Iraq & Iran. Of course, due to the high demand for steel in the Arabian Gulf region, a lot of UAE traders or stockers already have low stocks, a factor which may affect the market for construction sections considerably. Research carried out by industry professionals in the region estimates that active construction projects currently under way in the Gulf region are in excess of US$1 trillion.

The UAE, currently the largest construction market among the Gulf Cooperation Council (GCC) countries, has more than US$300 billion worth of active projects & the emirate of Dubai alone has over 25 percent of the world's active cranes in operation. Apart from the UAE, projects in the Kingdom of Saudi Arabia doubled in the last 12 months to more than US$200 billion; Kuwait
currently has US$211 billion worth of active construction projects, with an additional US$170 billion worth of projects elsewhere in the region. This clearly illustrates the extent of demand for Steel, Cement & other construction material which has continuously maintained its pace of double-digit economic growth. Thus, for manufacturers & suppliers of these products, this is the perfect time to look into ways of expanding their product base in the region. In this scenario, industry professionals involved in the supply of such products understand the need to find out an alternative source in order to supply available shortage.

INDIA’S MARKET SCENARIO

India is the 5th largest producer of crude steel in the world & is expected to become the 2nd largest producer by 2015-16. India continues to maintain its lead position as the world's largest producer of direct reduced iron (DRI) or sponge iron during January-December 2012, a rank it has held on since 2002. 222 MoUs have been signed with various States for planned capacity of around 276 million tones. Indian steel production has grown strongly in recent decades & India is now the world’s fourth largest steel producer. Nevertheless, India’s consumption of steel relative to the size of its economy is very low by international standards. As the economy develops further, steel consumption is likely to increase. Indeed, Indian steelmakers have plans to expand capacity substantially in order to meet the anticipated increase in demand. While India has relatively large reserves of iron ore, its steelmakers import most of the coking coal they require. As Australia is a major supplier of coking coal to India, these exports from Australia are likely to expand further.

INDIA’S MAJOR EXPORT DESTINATION IN STEEL

![2011-12 Top 8 Exports Destination Steel](image)
UAE-INDIA TRADE RELATIONSHIPS

UAE-INDIA BILATERAL RELATIONSHIPS: The UAE’s economic, political & cultural links with India, which date back to more than a century ago, are matured & multi-dimensional. Bilateral trade has been steadily growing over the years & people-to-people contacts are constantly on the increase. Tourists from both sides are visiting for leisure & pleasure, & more & more UAE nationals are availing of healthcare & tourism facilities in India.

INDIA-UAE RELATIONSHIPS: India & United Arab Emirates (UAE) enjoy strong bonds of friendship which are founded on millennia-old cultural, religious & economic intercourse between the two regions. People-to-people contacts & barter trade between the two regions have existed for centuries. The relationship flourished after the accession of H.H. Sheikh Zayed Bin Sultan Al Nahyan as the Ruler of Abu Dhabi in 1966 & subsequently with the creation of the UAE Federation in 1971. Both sides have made sincere efforts to improve relations in all fields.

BILATERAL VISITS:

BILATERAL AGREEMENTS: India & the UAE have signed a number of Agreements & MoUs from time-to-time in different sectors providing an institutional framework for cooperation in those sectors. There are total 17 Number of Agreements signed between India & UAE

ESTABLISHING A STEEL BUSINESS IN UAE

UAE Steel Industry is one of the leading in UAE economy. Steel sector has a huge market capture in UAE & mainly steel is being used a lot by construction companies in UAE

For entering in to UAE Steel Market there is a various ways among which 2 mainly different ways are stated below:-

Establishing Steel Industry in UAE:-

It is one of the ways to enter in UAE steel market. Here we can establish a Steel manufacturing plant in UAE’s Free trade Zone.

By being a Exporter to UAE’s Company:-By this way we can Export steel as a raw material to UAE’s company for manufacturing various products. Among the advantages of a JV are that it
does not have to be individually licensed, nor does the joint venture agreement have to be published or registered with any of the U.A.E. ministries. In essence, the JV operates as an unregistered LLC, with greater flexibility to the partners. Potential disadvantages of the JV are that it cannot obtain financing independently, nor hire its own employees, but must perform these activities through the U.A.E. partners.

**Basics of Doing Business in UAE:-**

[1] You need local (UAE National or Citizen) partner or a sponsor unless business is established in Dubai Free Trade Zone.

[2] Networking & relationship go much further than in western countries so, make sure that partner with someone well connected.

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[7] There is no any Tax levied on business but license fees & other periodic fess must be paid to government.

**GUJARAT-UAE:**

**CREATING A PLATFORM IN GUJARAT FOR BUSINESS** There is a good opportunity for UAE companies in Gujarat for establishing there firm& carry on their business along with Gujarat’s firm. There is free trade zone in Gujarat so companies can establish there firm without any interruption of government. In Gujarat there is many big automobile company for whom steel is there daily need, so if any UAE company establish their firm merging along with gujarats firm than it can lead there business with a good profit. UAE have a strong economy, so there are possibilities of big investment to be done by them in Gujarat. Gujarat government had launched a global summit program in which many countries had taken part & had created MOUs. Global summit is a nice platform for UAE for entering into gujarats market an carrying their business.
4. TOURISM INDUSTRY

Why take UAE as tourism?

UAE have many sources for income generation i.e. oil, gold, petroleum, tourism, etc…among them the oil is first source to generate the income. But as per now a day usage of oil make it null. So for UAE the second option for income is tourism. As they have blessed with the beauty of nature.

The United Arab Emirates is one of the world's fastest growing tourist destinations. It has all the right ingredients for an unforgettable holiday, sun, sand, sea, sports, unbeatable shopping, top-class hotels and restaurants, an intriguing traditional culture, and a safe and welcoming environment.

As per the master card’s survey Dubai is 9th most favorable and preferred destination for tourist and ranking 5th out of 7 in Arab world. Dubai has been called ‘shopping capital’ of the Middle East because number of shopping tourist from countries within the region and Eastern Europe. Travelers are more attracted to Dubai for shopping malls and boutiques are there.

UAE have various types of modes for tourism like shopping, cultural, cruise, business, sports, eco, healthcare, spa, education, etc. Cities of UAE are growing to get achievement just within last 30 years that compared with Malasaiya and Turkey. As per Dubai’s General Directorate Of Foreign Affairs – Tourism grow 79% in 2011 as compared to 2010 and rise by 88% in 2012 with Respect to 2011. UAE have major attractions like land mark, Bur Dubai and Deira, Sheikh Zayed Masjid, Mall houses - Marina Mall, Yas Island of the capital, Saadiyat Island, Al Ain , parks.

TOURISM BOARD

UAE have followed the board regulation for the tourism.UAE has two type of board i.e.

DTCP [DUBAI DEPARTMENT OF TOURISM AND COMMERCE  MARKETING]

ADTM [ABU DHABI TOURISM AUTHORITY]
UAE DTCM board have main objective is to increase the awareness of Dubai to global audiences and to attract tourists and inward investment into the emirate To increase the tourism sector DTCM have responsibility of licensing and classification of hotels, hotel apartments, tour operators, travel agents and all other tourism services.

DUBAI DEPARTMENT OF TOURISM AND COMMERCE MARKETING [DTCM] is the principal authority for the planning, supervision and development of the tourism sector in Dubai. Moreover, it is charged with the responsibility of licensing and classification of hotels, hotel apartments, tour operators, travel agents and all other tourism services.

DTCM’s supervisory role covers archaeological and heritage sites and to ensure sustainable and responsible tourism for Dubai. It is also dedicated to conduct training programmes for personnel.

INFORMATION ON VISA

To travel in a UAE, tourist need visa for that. visa can be a two type

30 days Tourist visa
Sponsor visa

Tourist Visa for all Nationalities (Tourist companies):
Required documents:
Clear passport copy of the sponsor
Travel insurance

Followings are general rules which one should follow while travelling to UAE

The drinking age: 21. Drinking in public or being drunk in public are not allowed. In UAE unpleasant language, spitting, aggressive behavior and smoking outside designated areas are not permitted. Men should not staring at local women or attempting to make eye contact. During Ramadan while Muslims are fasting from dawn to dusk at that time non-Muslims can only eat and drink in screened-off areas in many hotels and restaurants. Men should not staring at local women or attempting to make eye contact. Wear respectful clothing. Swimwear is appropriate by the pool or on the beach but frowned on elsewhere. Wearing Low-cut dresses or tops, short skirts and short dresses are not allowed in public. UAE have special laws that have to follow every tourist while traveling in a UAE. The concept of educational tourism is reaches at top because
they provide reputed colleges and institution and the course offered by US, UK, INDIA and Australia. According to The World Economic Forums’ 2011 Tourism Competitiveness Report, UAE has been ranked 30th in among 139 countries and ranked 1st in the middle east UAE have capacity and ability to attract more numbers of tourists across the universe so it helps the tourism sector to generate a income. Indian tourists have spent $141.3 million in 2011. As the income sources, Tourism generated $121 billion which is 6.4% of GDP.

UAE began to integrate green steps into economy in mid- 2011 in a bid to improve sustainability with its ecological policy. Dubai starts introducing this into its tourism industry by looking to live the green lifestyle by transforming hotel sector. According to the weather of UAE people visits uae .the weather of UAE attract the tourist as it is different as the season changed. As per the climate they have different entertainment events like in hot days they occur event of The Global Village, Dubai World Cup.

‘Tourism industry’ is only the tip of the iceberg. While it directly impacts accommodation, recreation, catering, entertainment and transportation, tourism also hugely impacts other industries such as printing & publishing, manufacturing, resort development, services, food & beverage just to quote a few. The significance of inbound tourism on the emirate of Dubai has been seen and felt not just in the region, but also globally.

The Dubai Shopping festival is a month-long festival held during month of January each year. During the festival the entire emirate becomes one massive shopping mall. Additionally, the festival brings together music shows, art exhibitions, and folk dances.

Dubai is the 8th most preferable place for visit. it have really a beautiful and wonderful place possessing number of tall buildings, sophisticated infrastructure, lovely beaches and deserts.
UAE have most 5 popular place that are visited by the tourist are:

Burj Khalifa  
The Palm Islands  
Burj Al Arab Hotel  
Dubai Museum  
Desert safari and beaches

Various museums in each emirate are as follows.

Alain Museum  
Dubai Museum  
Sharjah Museum  
Ajman Museum  
Umm Al Quwain Museums  
Ras Alkahaima Museum  
Fujairah Museum

UAE have best political, legal, social, technological, economic, environmental aspect that helps to increase the tourism sector. One of the uniqueness in UAE is that every emirate have museum that attract the tourist to visit the every emirates. As UAE have very conscious for their tourism sector INDIA have also the most various sites that attract the tourism industry

INDIAN TOURISM

India is a country of different religion, language, festivals, as well as the country having varieties in sight scene available in its different states. India has many popular places that attract the tourist to visit it without missing it. i.e... . Taj Mahal, Goa, Jim Corbett National Park, Himalaya, Kashmir, etc. India is a true meeting pot of people, language, religion and culture. North India is a ‘jewel’ in India’s crown and offers visitors a scenic and culture wealth they would not find in a single religion anywhere else in the world. South India is wonderful meeting pot of beautiful architecture, temples, beaches, ayurvedic therapies, ancient material arts, dances and a variety of mean wealth-watering. West India is famous for its heritage places it is having many fort and
antic collection in museum. East India is famous for its pure atmosphere sweet water and peaceful environment it not only attract tourist but attracts god also. India are blessing with the nature of beauty. India have nature at their four of the directions. India has beauty as their 4 of the directions .each direction have their oven beauty and culture. India is most attracting their tourist to visit the every site of it as no kind of legal rules for the tourist. India has some places that are called the heaven of the earth. there are some rivers ,hill station, mountains that attract the most.

India have blessing with the cultural sites that attract the visitors and India have some historical places that attract the visitors. India has 29 states that have different beauty of nature. every state have different nature, sites, rivers etc The GDP of the tourism sector has expanded 229% between 1990 and 2011. The tourism sector is expected to grow about 7. % to 8% in next decade. This make India the fifth rank among countries with the fastest growing tourism industry. India has a large medical tourism sector which is expected to grow at an estimated rate of 25% to 30% annually to reach about 9,500 by 2015.

GUJARAT TOURISM

Gujarat is the 7th largest state in India, located in the western part of India with a coastline of 1600 km. Gujarat the most popular state of India .it is blessed with the beauty of nature. Gujarat is the state that mostly concentrates on tourism industry. It is working in globally. Gujarat was visited by 19.8 million tourists in 2010-11: Gujarat has scenic beauty from Great Ran of Kutch to the hills of Saputara. Asiatic lions in the world are seen over the Gujarat. To grow the tourism industry they made the brand ambassador as AMITAB BACHCHAN the boll wood most popular hero. To increase the tourism sector and to make aware the people of the world the occur an event of ‘Khushboo Gujarat Ki’ under the AMITABH BACHCHAN.

Guajarati known as "Growth Engine of India" because there are many Indian and global companies located in Gujarat and the area has seen double digit GDP growth in past decade. It is one of the most industrialized states. Gujarat has various types of the tourism modes like Archeological and heritage, wildlife, religious, medical tourism etc. The best event between Gujarat and Rajasthan state to join together to visit. The joint venture of Tourism Corporation of Gujarat and Indian railway.
Various festivals which attract the tourist in Gujarat.

Kite festival
Tarnetar Fair
Global Garba
Vautha Mela
Rann Utsav

An Indian luxury tourism train started in 1994-95. It is called as ROYAL ORIENT TRAIN. It covers Chittorgarh, Jaipur, Udaipur, Ahmadabad, Mehsana, Junagadh, Veraval, Sasan gir, Mandvi, Palitana and Sarkhej. The eight hubs of Gujarat that interact the visitors that are Ahmadabad metro, north Gujarat, Surat, Vadodara, Rajkot, Jamnagar, Kutch etc. Gujarat does many events to attract the tourist like vibrant Gujarat. Gujarat celebrates the festival as per the seasons and Climate to attract the visitor.

Investment proposals in tourism sector

India & UAE both are very beautiful country to travel. Every year more and more people are coming to visit the country and bring unforgettable memories with them. So, India & UAE both are focusing more on tourism sector as it is second source of income generation in the countries.

Following proposals are available for investment in tourism industry in India as well as in UAE: Start a new tourism company in UAE. In UAE for starting any new business for foreign investors, 50% partnership of UAE residential is must except free trade zone. According to our analysis Dubai is the best place for starting tourism industry and hence one can’t set up tourism business in free trade zone, an investor must find one local partner for starting business. For all business activities in UAE, the basic requirement of the following three categories of licenses:

[A] Commercial licenses

[B] Professional licenses

[C] Industrial licenses
MOU between government of Gujarat & government of UAE Incentives taken by Gujarat govt. for tourism: Gujarat has all the ingredients to become one of India's leading travel destinations these are rich heritage, natural beauty ancient archaeological sites and a colorfull culture as well. Yet Gujarat is not successful to attract tourist. But now govt. of Gujarat is focusing more on tourism. It has decided to introduce tourism as new growing industry in Gujarat. Gujarat govt. is promoting tourism and the “Mahanayak” of the Indian film Industry is the brand ambassador of Gujarat tourism. Tourism will be given status of industry Incentive package for new tourism projects Improving infrastructure facilities Effective mechanism to develop coordination with central government, state government, local self-government and NGOs Land acquisition various tourism projects Extra Loan facilities for tourism related projects. Better incentive packages for investors A special paying guest scheme to compensate for inadequate accommodation facilities Suitable schemes for marketing tourism products Reputed consultants will be hired to develop master plans Decentralizing the process of development of destinations A single window clearance system for speedy clearance Such MOU should include following aspects: Easy visa process Hospitality development Government should provide some tourism facility like arrangement of tour packages direct at time of visa passing visa. It should also include business tourism By doing this govt. will get following benefit: It will increase no of tourist It will increase in direct employment It will give an international platform to Gujarat tourism Many investor will get attract to invest in tourism business and Gujarat can able to develop new international level places in Gujarat

By signing MOU Gujarat will benefited but there is one drawback in govt. policy , after singing such MOU it is not able to maintain it so to overcome such barrier govt. should include private sector in to the scene.

5. ELECTRONICS EQUIPMENT & MACHINERY INDUSTRY

POLITICAL ANALYSIS: The policies related to industrial and manufacturing sector in UAE has a strong policy formulation and implementation. Due to lack of democracy there would be a challenges for better development of manufacturing sector UAE has a better foreign relationship with different countries namely US, UK, India, China, Japan etc which helps in increase foreign
investment in country. The country have stable political position of one of the foremost Gulf countries to have conducted partial elections in the region.

ENVIRONMENTAL ANALYSIS: Electronics industry sector has become very well aware about the needs to develop the sector by using new technology and using cost effective, keeping in mind the environmental factors also and move towards the long term benefits. Many industries have been investing their resources to show the environment issues and find out new business opportunities.

Environmental Issues in the Electronics Industry
The electronics equipment and machinery industry is the one of the major trading business in the UAE. This highly competitive, international industry accounts for nearly 15% of the UAE. The environmental implications of its activities, the electronics industry is working continuously to align their business and environmental goals and to develop technologies and tools for environmental issues in UAE. The electronics industry in UAE will be continuing to grow on the path of “greening” of the electronics sector, offering the sector and strategy that are based on industry goals rather than regulations.

SOCIAL ANALYSIS: Social factors have a great impact on business and its overall environment. With the change in society the business has also to change accordingly to stand out in the market. Electronics industry is in continuous research about the social factors like culture adopted in the country, taste of customers, beliefs for the products etc.

TECHNOLOGICAL ANALYSIS: In electronics industry, producers are consistently engaged in making new products and such type of products which are easily accepted by consumers. With the changing environment and trends and also changing consumer demand there is urge of inventing new things. New innovation and research has become a crucial task for the development of this sector. With the crunch in the customer electronics industry, manufacturers, produces are under tremendous pressure to make new products. The consumer electronics equipment and machinery industry has seen a wave of innovation sweeping the industry. There would be used of new technologies and shorter product development cycles, new products are constantly made their ways to the shelves. Examples of such consumer electronics products
include the mini disc, recordable CDs, the digital audio tapes, and the MP3 player. The main purpose of this research was to shed some light on the adoption behavior of consumers in relation to new audio and video consumer electronics innovation.

New products and innovation in electronics items often come with high risks as most of them failed in the marketplace. There has been extensive research and development carried out to unveil and discover the critical success factor affecting adoption as well as on the process of innovation diffusion itself.

**STRENGTHS:**

Advantage of cost Effectiveness in communication  
Increase in R&D  
Innovative products  
Online development  
Royal customers  
Strong managing team  
Strong brand equity  
Greater financial position  
Supply chain management  
Affordable Pricing  
Goodwill management  
Unique products

**WEAKNESS:**

Ineffective communication  
Diseconomies to scale  
Over leveraged financial position  
Low market share  
No diversification
**OPPORTUNITIES:**

New market opportunities
Acquisition & merger
Financial instruments markets (for raising money)
Emerging foreign markets and expansion
Innovation opportunities
Expansion of products & services
Takeovers

**THREATS:**

Competition
Cheap technology
Economy slowdown
External environment (government, politics, taxes, etc)
Currency rate fluctuations
Lower cost competitors
Price wars

Most of companies in UAE includes to providing services under electronics equipment suppliers and services have to focus on the business computing needs of manufacturing companies, retail and distribution networks. In UAE, they are few companies are experienced and equipped to provide comprehensive barcode solution through in house qualified professional to do system integration and customization of software. We have selected electronics equipment & machinery as a major industry having an opportunity in UAE to start a business. The electronic industry is one of the growing and competitive industry in whole world. To cope up with the world the companies has to constant find out the new opportunities in the present market as well as new market Companies has also to find out the low cost centres for manufacturing electronics and must continuous research for meeting consumer demand and take advantage of different products The UAE’s electronics devices market is majority for the products like computers, cell phones and audio and video music system and for gaming products and is estimated to reach a value of
US$ 4 billion in 2012 and is expected to increase by 5bn by 2016. The UAE’s consumer electronic market is majority being divided into 3 segments such as computers, audio visual and mobile handsets.

**COMPUTERS**

As per the statistics, computer hardware has been accounted for 58% of the UAE’s consumer electronics spending in 2012.

**AUDIO-VIDEO**

Audio video devices is accounted approximately 40% of consumer electronics spending in UAE in 2012.

**MOBILE HANDSETS**

Mobile handsets are accounted for approximately 14% of UAE’s consumer electronics spending in 2012.

**The UAE’s top 5 import partners:**

- China -- 4.5%
- India -- 3.4%
- United States-- 3.1%
- Japan --2.8%
- Germany --2.4%

**The UAE’s top 5 export partners are:**

- Japan -14.7%
- South Korea - 6.4%
- Thailand- 4.2%
- India -3.7%
- Iran -2.9%
The INDIA’s top 5 import partners
USA – 8.34 %
UAE – 8.19 %
SINGAPORE – 4.34 %
CHAINA – 3.56 %
HONGKONG – 2.06 %

The INDIA’s top 5 export partners
1. China- 7.05 %
UAE – 6.35 %
SAUDI ARABIA – 4.85 %
SWITZERLAND – 3.66 %
IRAQ – 3.42 %

Dubai is the main trading centre for the UAE electronics market accounting for approximately 75% of UAE’s total exports and 80% of re-exports. The total turnover of the electronics market is approximately US$4.2 billion. Most of the demand for the electronics products is from the outside the domestic market that is re-export, tourists and travelers. The major demand and the popular product in electronics market are TVs, Home Theatre Systems, LCD screens, DVDs etc. With the low import duty and no sales tax with direct suppliers from manufacturers have contributed in keeping the price of the products comparatively lower than the other markets. Japan and South Korean companies are shifting their operations to UAE due to free trade zone. UAE local consumer electronics market is expected to increase in value US$ 4 billion by 2013. It is assumed that increased demand will be highlighted by 3G mobile handsets, smart phones, notebooks, big screen LCDs and other new devices. Low import duty rates have made UAE a trading centre for consumer electronics goods. The electronic industry in India is just 0.7% of the total world electronic industry. However the demand in India’s market is growing on a rapidly and due to high demand investments are flowing in to manufacturing capacity. The total output of electronic hardware industry in India is worth US$20 billion at present. India’s contract-manufacturing business is expected to nearly triple in revenue over the next five years.
A development that will present both opportunities and potential pitfalls for the worldwide electronics supply chain. Revenue generated by Electronics Manufacturing Services (EMS) providers and Original Design Manufacturers (ODMs) in India will expand to $4.3 billion in 2012, rising at a CAGR of 24 per cent from $845 million in 2009. Changing government policies along with shifting government regimes also contribute to an unpredictable political environment. Doing business in India is often disjointed, with an inefficient bureaucratic system that causes frequent delays.

However, for OEMs able to manage these risks, the opportunity in India is significant. Thus India can target 4.2 per cent of the world-wide electronics EMS market of US$564 Billion by 2012 which works out to a potential of US$15 Billion. The recent growth in EMS activity is mainly due to rapid growth in the electronic Hardware market in all segments particularly rapid growth has taken place in Telecom Infrastructure Equipment, computers, Consumer devices. Consumer durables sector continues to be the main stay of the Indian electronic industry contributing about 35 per cent of the total electronic hardware production.

By the end of 2012-13, the market for consumer durables (including entertainment electronics, communitarian and IT products) was Rs 250 billion The government has started the process of getting private sector involved in the production of electronics equipment’s. The estimated market for strategic electronics in India during 2009-10 was Rs.45 billion and 90 per cent of this was done by the public sector unit Bharat Electronics Limited (BEL).

During the year 2010-11, electronics and IT exports are estimated to be Rs. 1,817 billion, as compared to Rs. 1181.80 billion in 2005-06 showing a growth. The reason behind the growth of electronics industry and consistent is due to stable economy & large middle class of 350 million people. The rapidly growing segments are demand for telecom services which are cell phones, internet subscribers & growth in demand for these products with increasing penetration of computers, falling prices & Government support to rapidly encourage usage of IT in all sectors. India is experiencing a strong growth in demand of electronics consumer durables in recent years.
India and UAE’s emirates have enjoyed historical relation and have been dynamic partners in the trade and economic fields.

India – UAE trade, valued at US$ 185 million per annum in the 1970s, is today in excess of US$ 50 billion making the UAE one of the India’s leading trade partner. In the bilateral trade approximately 81% accounted from Dubai alone. Dubai’s imports from India touched US$ 27.73 billion, its exports to India amounting to US$ 10.3 billion and re-exports reaching US$ 18.80 billion.

On 31st December, 2011 Dubai a chamber of commerce has around 21,000 Indian companies registered, in Sharjah chamber has 9600 Indian company registered, in Ajman chamber 2600 Indian companies registered, and in Ras Al Khaimah chamber over 1700 Indian companies registered.

India – UAE trade, valued at US$ 185 million per annum in the 1970s, is today closed to US$ 75 billion making UAE, India’s 2nd largest trading partner for the year 2011-2012. There is an estimated US$ 9 billion UAE investment in India of which around US$ 3.2 billion is the form of foreign direct investment, while the remaining is portfolio investment. UAE is 10th biggest investor in India in terms of Foreign Direct Investment.

RePIN electronics masters India signs a joint venture deal with UAE giant AL AHLI HOLDING GROUP to manufacture videogame in UAE. RePIN electronics, A Propering Indian company manufacture top of the line videogame from its two manufacturing units in North India has recently signed a JOINT VENTURE AGREEMENT with AL AHLI HOLDING GROUP of UAE. The joint venture company is named ALWANREPIN LLC, INDIA.

Reason of strong Indo-UAE economic ties is huge expatriate Indian population in UAE. Almost 2.5 million Indian expatriates currently live and work in the UAE, comprising more than 31 per cent of national population and constituting the Emirates’ largest expatriate community also contributes to Indian economy.

The annual remittances made by the large Indian community in UAE amount to over US $8 billion. They had actively invested in the past in the various bonds floated by India such as Resurgent India Bonds and the India Millennium Bonds.
India’s leading technology solution company, Sonata Digital Limited, has launched its operations in Qatar as Sonata Digital(Qatar) – a Joint venture with Mohammad Nasser Abdulla Al MISNAD.

Duty rates in India can be ad valorem (as a percentage of value) or specific (rupees per unit). Duty rates vary from 0% to 150%, with an average duty rate of 11.9%. Some goods are not subject to duty (e.g. laptops and other electronic products).

Duty rates in UAE vary from 0% to 100%, with an average duty rate of 4.61%. Some goods can be imported free of duty (e.g. laptops and other electronic products).

According to our knowledge we have seen a benefit in starting a manufacturing unit of in Indian company in UAE. opportunities we found “the world of opportunity” as one small step towards career, growth, job satisfaction, & an opportunity to run a business. Below are the list of Electronic Indian Companies which have an opportunity to start or restructure its position by joining UAE

Bharat Electronics
BPL
HCL
Godrej
Videocon
Wipro
Voltas
Micromax
Onida
Moser bear

The selected area of from the different emirates is Dubai. We found Dubai as a major opportunity to start a electronic company in UAE

Videocon Industries Limited is an industrial conglomerate headquartered in Gurgaon, India, with interests all over the world, and is an Indian multinational company.
6. TEXTILE INDUSTRY

What is a Textile?
Textile is a material composed of natural or synthetic fibers. Textile could be of animal based material such wool or silk, plant-based material such as linen and cotton, and synthetic material such as polyester and rayon. They are often associated with production of clothing.

What is a Textile Industry?
The textile industry is primarily concerned with the production of yarn, cloth and the subsequent design or manufacture of clothing and their distribution. The raw material used for production may be natural or synthetic using products of the chemical industry.

India Textile Industry is one of the largest textile industries in the world. Today, Indian economy is largely dependent on textile manufacturing and exports. India earns around 27% of the foreign exchange from exports of textiles. Further, India Textile Industry contributes about 14% of the total industrial production of India. Furthermore, its contribution to the gross domestic product of India is around 3% and the numbers are steadily increasing. India Textile Industry involves around 35 million workers directly and it accounts for 21% of the total employment generated in the economy. The Indian textile industry is the second largest in the world next to China. An Indian textile also has account for 38 % of the country's total exports which constitutes it to be a very important industry. To sustain this growth, it is imperatives that the textile industries produce goods of high quality at reasonable prices. This means that the industry must continuously modernize its machinery. Therefore, the textile machinery industry sector has an integral role to play in the growth of India's textile exports.

The textiles and garments industry is considered to be one of the largest and prominent sectors of Indian economy, because it effectively contributed in terms of output, foreign exchange earnings and employment generation. The textile industry continues to be the second largest employment generating sector in India next to agriculture sector. It offers direct employment to over 35 million in the country. The share of textiles in total exports was 11.5%. It is estimated that India would increase its textile and apparel share in the world trade to 8.5% from the current level of 5%.
India’s textile products had effectively reached the markets of US, the European Union and Japan. According to the Indian Ministry of Textiles, the European Union (EU) accounts for nearly 36% of India’s total textile exports and on other hand the US accounts for around 21%. Apart from this markets India’s textile products are exported to Canada, UAE, Saudi Arabia, Republic of Korea, Bangladesh and Turkey among others. The exports of textiles in UAE, which had a share of over 7% of the total textiles exported, expected a yearly growth of around 20% whereas the exports to EU, which had a major share of over 34% of the total textile exports registered a growth of over 5%.

**PESTLE ANALYSIS OF TEXTILE INDUSTRY FOR UAE**

**POLITICAL FACTORS**

Political factor’s, are those that reflect the degree of government intervention in economy, tax policy, labour law, environmental law, trade restrictions, tariffs, and political stability. Apart from this it may also include goods and services which the government wants to provide (merit goods) and those that the government does not want to be provided (demerit goods). At last, governments involvement on the health, education, and infrastructure of a nation.

**Political stability:**

The UAE has a federal government that is made up of several organs namely the president and his deputy secretary, the Supreme Council, the cabinet, the Federal National Council, and an independent judiciary with a federal supreme court and so on. As far as powers of Supreme Council are concerned they have both legislative and executive powers. The person who shall be a cabinet consists of ministers drawn mainly from the ruling families of the emirates. UAE Government Strategy is to create synergy and relation between federal and local governments.

In UAE, the cost of manufacturing apparel, garments and other such articles is quiet low-priced as there are many options highlighting technology and ultimately the availability of low cost labor and low input costs.
Trade regulation:

Trade regulation highlights the UAE’s unique amalgamation of the traditional and modern political systems that have guaranteed national stability and laid the foundation for industrial textile development. And the computed result of such stability is that Dubai is considered to be the textile hub affecting apparel industry in UAE. It is named to be hub because it tends to convert conventional markets into large shopping malls and organized retail chains.

Presently, textile is facing several live hood crises because of adverse government policies, globalization and changing socio-economic condition. Despite of favorable socio-economic and business conditions in the country, the textile manufacturing market of UAE has been facing intense competition from the textile manufacturing countries namely South East Asia such as China, India and Thailand.

Government on the other had formulated regulations that brought effective control on export and the domestic market become open to import the textile scenario in the country. The import scenario tends to bring drastic change in term of skills, input like design, market trend and changing demand therein. Government on their side has created a few input institutions to help the textile sector but their performance has been below par and failed in obviating the problem of textile. Looking to this government has tried to spread the caste and professional dimensions of textile sector. Government has to identify the role of different communities in the textile sector.

ECONOMIC FACTORS

As economy is involved income is the factor to be considered significantly important and highest in the world, but there are large differences between the emirates, with Abu Dhabi, Dubai, and Sharjah. The national currency is Dirham for all Emirates. The UAE has an open economy with a high per capita income. Successful efforts at economic diversification have improved the portion of GDP based on textile sector. The government on their side has increased spending their income on job creation and infrastructure expansion that brings up utilities to greater private sector
To maintain their economic growth Free Trade Zones are the attracting zones as it offers 100% foreign ownership and zero taxes - are helping to attract foreign investors. The strategic plan of UAE for the next few years primarily focuses on diversifying and creating more opportunities for nationals through improved education and increased private sector employment.

**Division of Labor:** Major nations involve (99 %) work in the state sector because of the attractive benefits and are employed mainly in nontechnical jobs namely education, the army, the police, the civil service and so on . The textile sector plays a very important role in the country's economy. It is one of the largest economic activity as it provides direct employment to over 65 lakhs persons engaged in weaving and allied activities. Total textile export of UAE to India is 13.5%

A part from this there is effective Government intervention through financial assistance and implementation of various developmental and welfare schemes to sustain in competitive market of power loom and mill sectors. Textile sector contributes nearly 19% of the total cloth produced in the country. Textile is unparalleled in its flexibility and versatility, permitting experimentation and encouraging adoption and development of innovations.

**SOCIAL FACTORS**

Social factors are those that relate the cultural aspects such as health consciousness, population growth rate, age distribution, career attitudes and emphasis on safety, security and so on. Trends and variation in social factors affect the demand for a company's products and ultimately on how that company operates. Textiles are made of fibers. Fibers could either be natural or synthetic. The steps that are needed to produce a usable fiber and ultimately turning the fibers into the preferred fashion is basically done by textile that can lead and undertake environmental, social, and moral issues. In UAE textile is considered to be the important source of employment as textile wages for labours are higher than any other sectors offerings.

On the other hand the employment scope for women is more than male and is known that woman’s are paid twice than male. There is no gender bias against women in both working conditions and financial remuneration, employment levels are often in favor of women.
Textile industry tends to increase employment opportunity despite of automatic mode. It is because textile industry comprises of textile, textile product, and apparel manufacturing industries that tend to turn fiber into fabric and fabric into clothing and other textile products. While some factories are highly automated, others still rely mostly on people to cut and sew pieces of fabric together.

The apparel industry has moved mainly to those countries that offer cheaper labor costs, while the textile industry has been able to automate much of its production to effectively compete with foreign suppliers. This industry is evolving and its need for a more highly skilled workforce is growing.

**TECHNOLOGY FACTORS**

Technological factors are those that involve ecological and environmental aspects, such as R&D activity, automation, technology incentives and the rate of technological change. Lacking in technological dynamism, have boosted the textile sectors as the firms involved showed evidence of accumulated technical expertise to undertake technical changes in product and process within the boundaries of the existing knowledge base.

To go with the world textile industry tend to give their employees training for standards/testing, information, problem solving/trouble shooting, and education/training were the most used services by the firms. With the further diversification and varieties in raw materials, such as fibers, cotton, silk, coating material, composite constructions and other products; have made textile sector to provide varieties and capture huge market share in their sector.

**Technological change in the garment industry**

The pace of technological innovation in the garment industry was slow in the beginning of the 1980s. The main innovations before 1980 were just sewing technology, but looking to the need and trend textile industry moved towards task-dedicated machines. The major technological changes were noticed in 1980s, when microelectronics penetrated all stages of garment production to some degree. The most significant innovations took place in the pre-assembly stage, where computer-aided design, computer numerical control, cutting systems, and computer-
aided manufacturing, led to material and labour savings. In the assembly stage, which is the most important one account for 81% of the manufacturing value added.

**Streamline Marketing** is the one with latest upgrade in technology with the collaboration between UK-based XPO Events/Turret groups. This was most effective collaboration because it gave techniques to meet the challenge of Chinese competition with the abolition of trade quotas.

**ENVIRONMENTAL FACTORS**

Environmental factors are those factors that include all the related aspects of environment namely weather, climate, and climate change, which may especially affect working of any industries but could especially affect sectors like tourism, farming, and insurance.

Every customer selects the product that has an impact on the environment and environmental changes. However majority of consumer does not know which product has less or more impact to the environment than the other one. Any product, which is made, used or disposed of in a very significant way, can reduce the harm that it could cause to the environment, could be considered as eco-friendly product. Slowly, consumers in UAE are selecting and praising those manufacturers that adopt clean technologies to produce eco-friendly products.

As far as textile industry is concerned it is divided between natural fibers such as wool, silk, linen, cotton and hemp, and man-made ones, the most common of which are synthetic fibers that are made from petrochemicals that create pollution and are hard to recycle. The textile and clothing industry is a diverse one and have greater impact in the environment because it contains raw materials which when converted into garments involves huge procedure of dying, chemicals, printing and so. Dyeing and printing consume vast amounts of water and chemicals. In the textile sector, children are a cheap workforce for picking cotton, hand-sewing, etc.

**LEGAL FACTORS**

Legal factors include the factors that are related with discrimination law, consumer law, antitrust law, employment law, and health and safety law. These factors can directly affect working of the company, how a company operates, its costs, and the demand for its products.
For the UAE economy textile industry is one of the most important pillars. It contributes about 4% to the GDP, and 17% to the country's export earnings. It provides direct employment to over 35 million people. The main subgroups within the textile sector are readymade garments and cotton textiles. At the central level, various kinds of incentives and concessions are given to the industry either directly or through various schemes. A number of schemes like the Technology up gradation Fund Scheme (TUFS) and Scheme for Integrated Textiles Parks (SITP) have been implemented by the government to provide extra stimulus to the textile sector.

Following are the products related to textile:

- Cotton
- Handicraft
- Jute
- Ready-made garment
- Yarn

**Cotton**

Today India is considered to be the widest producer range of cotton, and the world’s third-largest producer of cotton and second-largest producer of cotton yarns and textiles. It is poised to play an increasingly important role in global cotton and textile markets as a result of domestic and multilateral policy reform. Demand for cotton and manmade fibers in India will likely strengthen in response to rising consumer demand in India and increased exports of textiles and apparel.

Indian cotton consumption, growth in textiles and clothing exports is outpacing domestic demand and is an increasingly important determinant of overall cotton and fiber demand in India. **Cotton-based exports accounted for about 41% of mill use of cotton and about 80% of the growth in Indian consumption of cotton fiber.** The important centers of cotton textiles industry comprise Ahmedabad, Mumbai, Madurai, Indore, Coimbatore, Sholapur, Kolkata, Kanpur, Delhi and Hyderabad.

India is at the 15th position in largest economy in the world with a GDP of USD3.319 trillion. The textile sector contributed about 14% of industrial production, 4% of the GDP and provided direct employment to over 33 million people. The textile sector is the second largest provider of
employment after agriculture. Products made from cotton fibers include towel, bed sheets, sportswear, jeans, t-shirt, pillow cases, shirts, saree, salwar kamiz and so on.

### Production of cotton in metric million tons

<table>
<thead>
<tr>
<th>Imports</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>6.9</td>
</tr>
<tr>
<td>India</td>
<td>5.7</td>
</tr>
<tr>
<td>US</td>
<td>2.3</td>
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</tbody>
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A major shift from its usual role of regulating commodities trading, the Dubai Multi Commodities Centre (DMCC) is moving into buying and selling Asian cotton. Uzbekistan is the third-largest producer of cotton after the US and India, has already signed a trade agreement with the DMCC. Dubai today has developed to be one of the leading gateways for international commodity markets through large investments in its logistics and transportation infrastructure as well as various initiatives to ease doing business that capitalizes on Dubai’s position to feed into the consuming markets as well as add value to the supply chain of the cotton trading community globally. **This has attracted the main market participants in UAE by Bangladesh, Pakistan, India and China.**

**Handicraft**

Handicraft means “arts and crafts”. Handicraft also included some specialized knowledge, different technical skills, specialized in different equipment which is involving manual labor. In Indian traditional they include craft regarding tradition and included religious beliefs, needs of consumers, some royalty needs and including foreign and domestic trade.

Handicraft related most of materials are available in Harappa and Mohenjo-Daro. A craftsman not only providing some local needs but also create surplus and sent items on some ancient routes. Schools, colleges and university which are providing a optional subject and focus on handicraft based arts.

Handicraft simply and main object is developed skill which is made by hand and creates some tradition value. India is a rich country and also provides rich culture, history and traditions. India also deals with major producers and suppliers regarding handicraft products in the world.
In Indian handicrafts huge demand of both types of products means national and international market. They also try to maintain demand and quality of products so at that time they also maintaining different technologies and also adopting some uniqueness of their production.

UAE recently developed a seminar on “brand image promotions of Indian handicrafts” for interactive with handicraft. He also says that now UAE is focus on export handicraft from India. They usually providing a wide range of quality products and also providing as per demand goods. Demand is also different regarding consumers criteria. Antiques, curios and handicraft dealers who play professional roll and providing different product source for the place of UAE.

With the help of antiques, curios and handicraft they generate maximum revenue. UAE are purchased some aesthetic appeal regarding on precious items and choose this type of product for comfort and household items. There is a wide scope of development regarding on women. They create women’s associations for their local arts and craft. Handicraft industry was started originally as a traditionally time activities. In rural areas there are not specific market regarding handicraft but also they providing goods as per demand of consumers.

Financially funds, different raw materials and so on. In Dubai there are more than 100 widows, and handicapped persons, they all are jobless. So they started and providing employment through which they creating and growing network of employment. This network provides job in some factories, showrooms and other sales outlets. In UAE Dubai is a major market regarding handicraft. Different regional peoples come to sell their handicraft products in Dubai.

**Ready Made**

The readymade industry is to be classified under the men’s wear, women’s wear, kids wear and unisex wear. In UAE textile and apparel trade is one of the most important sectors for merchandise trade. Silk garments exports rise on the demand from UK, UAE from India. Exports of Indian silk products are classified in to four categories’ like readymade garments, silk carpets, silk waste and natural silk yarn, fabrics. The UK, US, Italy, UAE, and Germany have a top five countries importing Indian silk goods. 28.1%, 11%, 6.1%, 5.7% and 5.4% respectively of the total export earnings of the country. Investors are strongly to invest in to Ajman in the industrial sector Ajman boasts the highest number of readymade garments factories in the UAE,
and making the readymade garments the emirate’s biggest export. 50% factories make up of the total number of factories in Ajman. Ready Made Garments: Remove 10% Excise Duty on Branded Garments. In India the data of readymade garments are 80% are from cotton, 14% from synthetics, 4% from silk, and 2% from woolens. CHINA, UAE, SAUDI ARABIA, USA and SWITZERLAND are the top 5 exporter’s countries of India in readymade garments. USA, UAE, SINGAPORE, CHINA, and HONGKONG are the top 5 importers countries of India in readymade garments.

**Jute**

The fiber that has golden value and being cultivated in this land in plenty could never be capitalized properly. Largest jute industrial base of the world in Bangladesh has been destroyed over many years. Few closed Bangladeshi jute mills were reopened & law to make jute packaging mandatory was passed in last two years. But these efforts fall in element when we see the farmers are not getting right price for their golden fiber. Jute was named as the golden fiber as it was the main source of foreign currency of the then East Pakistan. But since the country’s independence, the successive governments’ policies have only served to weaken the jute industry. Lack of effective management, corruption and the use of workers in political purposes are making the way for the jute industry to go in vain.

According to Export Promotion Bureau data, growth of export earnings from jute and jute goods fell 16.59 percent in July-September of fiscal 2011-12 from 34.89 percent growth last year. The Indian government is giving up to 31% incentives to the jute shopping bag exporters to encourage the industry. Therefore, they are being able to capitalize on the opportunities to be taken. The government should make sure that the farmers get the perfect value for their harvest by creating a soft communication between the growers and real jute buyers and most importantly abolish the middleman culture. The government gives up to 21% cash incentives to the agro-based product exporters.

Thailand, Malaysia, Vietnam and Indonesia also import jute and jute goods in small quantities. A larger amount of the earning is from raw jute export to India. Among the 11 lakh tones of jute produced per year, only 6 lakh tones are locally consumed and the rest is exported to India. It clearly denotes the ill infrastructure of the jute industry.
China and India is capitalizing the global Jute product market. There is a great opportunity to add huge value in export earning if we can produce jute products more according to the global demand instead of exporting raw jute. Jute is an important cash crop, which is as an intercrop before paddy transplantation in most parts of the country. This has significant contribution to the farm income of a large section of rural households.

India is the largest producer and second largest exporter of jute goods and this sector supports the livelihood of about 42 lakh farm families, and provides direct and indirect employment to 5 lakh workers. Needle-punched jute non-woven for floor covering, persuasive cloth, geo-textiles agro plant mulching, substrate for jute reinforced plastic

The United Arab Emirates authority to ban use of plastic shopping bags by 2013 has also brightened the prospect for Bangladeshi jute industry to export around 9.01 billion jute bags to the UAE market. Earth bags made from jute are becoming popular among UAE companies led by Emirates Airlines which uses it for its First Class conveniences bags.

**Dubai Jute and Bag Corporation**, recognized in 1995 is a 100% export-oriented leading and apparent exporters of jute goods made from natural jute fabric. Over these years, Dubai Jute has provided wide-ranging and valuable services to a broad range of clients from conceptual stage through completion of exports. Jute yarn export to Turkey, India and USA covers 97%, 99% and 89% of their total market demands respectively. Fabric export to Australia meets 79.5% and sacks export to India meets 69% of the respective total market volume.

**Yarn**

The most commonly used blends are cotton-polyester and wool-acrylic fiber blends. Bamboo yarn is a less expensive yarn that is a recent innovation. Acrylic yarn is the less expensive. **Filament yarn** consists of filament fibers (very long continuous fibers) either twisted along or only grouped together. **India’s presence in the international market is significant in the areas of fabrics and yarn.**
India is the largest exporter of yarn in the international market and having a share of 25% in world cotton yarn exports. India accounts for 12% of the world’s production of textile fibers and yarn. In case of spindle age, the Indian textile industry is ranked second, after China, and accounts for 23% of the world’s spindle capacity. Around 6% of global rotor capacity is in India. The country has the highest loom capacity, including handlooms, with a share of 61% in world loom age.

UAE

UAE is one of the major textile markets of the world and stands 2nd after South Africa in apparels. It is a pioneer in fibers, fabrics, cloth, apparels, outerwear and several others. The country is one of the prominent destinations of clothing and textile business in the world by having presence luxury brands in the economic market. UAE has become the business center for the Middle East. The output of the textile market in UAE has increased to 4.7 % between 2007 and 2011.

Due to favorable economic and business conditions in UAE, the textile manufacturing market has been experiencing intense competition from the textile manufacturing countries such as China, India and Thailand. UAE brought in maximum of its textile and textile articles imports from China valued at USD 2,150 million. Despite of tough market conditions, UAE is considered to be one of the largest solution provider for each stage of manufacturing from storage of raw material to finishing and packing in the region for various apparel and textile manufacturing segments of the industry.

The products manufactured by textile industries are effectively unconsumed by medical field, the hotels, catering services, the clothing and apparel for work, and the many types of linen. Growth of textiles industry in UAE includes the establishments for linen manufacturers and wholesalers, manufacturers and suppliers of blankets, manufacturers and suppliers of cotton yarn, manufacturers and suppliers of curtains, manufacturers and suppliers of fabrics and so on.

Textile industry has gone through many establishments in the sole area that include various services and products that are offered and are used in the manufacture of the textile products.
The wide range for products of the industry of textiles in UAE includes the scarves, shawls, silks, towels and bed linen, upholstery fabrics, clothing, woolen goods, and yarn. Uniforms are one of the largest sectors that one might find in the many establishments in the industry of textiles in UAE.

**Import to India**

India's Garment Industry is a regimented enterprise and is among the best in the world. It constitutes of designers, manufacturers, exporters, suppliers, and wholesalers. Indian Garment Industry has carved out a position in the global markets and earned a reputation for its strength, quality and prettiness.

At present India imposes about **10 per cent duty** on fabric or garment imports. Govt. Of India reduced tariffs on Manmade Fibers & Filament Yarns from 35% to 20% · Cotton Yarn from 25% to 20% Spun, Blended, and Woolen Yarn from 40% to 20 %. Industry will also be benefited by imposition of 12 per cent countervailing duty on import of garments. This will also encourage foreign retailers setting up shop in India to manufacture their requirements in India.

Textile industries of these areas saw exports of $62 billion, while related raw material and machinery imports are the $28 billion. That same year, 33 percent of Dubai $25 billion worth of imports was re-exported to the neighboring area. According to the Dubai Ministry of Finance and National Economy, there are 150 ready-made garment factories in the UAE, located in Dubai and neighboring emirate Sharjah.

The areas clothing and accessories imports are valued at $4.1 billion, and exports at $11 billion. Dubai has the most open foreign trade policies in the region with few trade restrictions, a free and fair business environment and tax exemptions Dubai's government has given a $54 million project to create Dubai Textile City - a joint venture between the Textile Merchants Association and Dubai Ports, Customs and Free Zone Corp. The manufacturer of textile and clothing in Dubai depends on imported raw materials. About **91.5 per cent** of raw materials are imported and only 8.5 are sourced from the local market. The results of the survey show that the major sources of textile raw materials are India, Pakistan and China. Sixty two per cent mentioned that they would adopt strategies of low price, improved quality and new technology in order to
strengthen their competitive position in the world market. Considering this potential and the value of its global trade environment, the UAE has begun a campaign to become the regional textile hub of the Middle East.

Textile manufacturers get their raw materials from several sources. Seventy one per cent of textile and clothing manufacturers identified India as the source for their textile industry raw materials. Sixty four per cent of them identified other countries (that includes Korea, Turkmenistan, turkey, Australia, West Africa, USA, Spain, Indonesia, Taiwan). fifty seven per cent of them identifies Pakistan and china. 21 per cent of them identified EU and 7 per cent of them identified Egypt. It is obvious from table 6 above that India, Pakistan and China are the major source of textile raw materials for the textile manufacturers in Dubai.

EU, U.S and GCC countries are the major destinations for Dubai textile and clothing exports. Sixty four per cent of Dubai's textile and clothing manufacturers identified the EU as the destination for their exports. 50 per cent of them identified the US as destination and 43 per cent of them identified GCC as destination to their exports. And 21 per cent of them identified Asia.

About 42 per cent of the respondents expect that the elimination of the quota would affect their businesses negatively. In the medium and long run, they need to adopt efficient production, quality improvement, and low cost labor and raw materials to compete in the international market. On the other hand, 33 per cent expect that it would affect their businesses positively. Regarding FTA with India, 60 per cent think that it will have a positive effect on their business, 20 per cent think there would be a negative effect and 20 per cent said there would be no effect. India ranks among the top target countries for any company sourcing textiles and apparel. Indeed, apart from China, no other country can match the size, spread, depth, and competitiveness of the Indian textile and apparel industry. Distant from China, no other country can match the size, depth, spread and competitiveness of the Indian textile and apparel industry. India has a complete supply chain – from a huge raw material supply to high quality finished products.
Well known names include Carrefour, Decathlon, Gap, H&M, Levi Strauss, Marks & Spencer, Metro Group, Nike, Reebok, Target, Tesco, Tommy Hilfiger and Wal-Mart. In the post-quota era, these and new players will rotate more and more to India for their sourcing requirements. UAE has been experiencing intense struggle from the textile manufacturing countries in South East Asia such as China, India and Thailand.

The Special Economic Zone Division, Department of Commerce, Ministry of Commerce & Industry, Government of India, has issued draft guiding principles to regulate functioning of worn and used clothing units in it. Clothing imported by a unit shall be accompanied with a certificate from the exporter/agency in which it was generated regarding disinfection and fumigation of the containers from an agency licensed in the state of origin of worn clothing with import credentials.

India's duty rates are levied on the cost, insurance and freight value of imports. India levies specific duties on many textile and apparel products in Rupees per square meter, kilogram, or piece. Imports of certain items must be imported through particular ports. Apparel must be imported through Jawaharlal Nehru Port Mumbai. The importation of textiles and textile articles is allowable subject to the condition that the products do not contain any of the hazardous dyes, such as AZO, whose handling, production, carriage or utilization is prohibited by the Government of India under Environment Protection Act, 1986.

INDIA

Present scenario of Indian Textile Industry is such that it has approximately 1200 medium to large scale textile mills in India. Around 20% of these mills are located in Coimbatore (Tamilnadu). The entire industry has 33 million cotton textile spindles for manufacturing cotton yarn which account for 70% of India's textile exports. Huge scale production and export resides in four main districts in India and it comprises of the western part includes Gujarat, the northern part includes the Punjab, the eastern part includes Bengal and the southern part includes the Coromandel Coast. The Indian textile industry is considered to be 2nd largest in the world next to China. An Indian textile also has account for 38 % of the country's total exports.
Through textile export India earns around **27% of the foreign exchange**. Further, India Textile Industry contributes about **14% of the total industrial production** of India. Not only this, its contribution to the **gross domestic product** of India is around **3%** and the numbers are steadily increasing. Indian Textile Industry comes under the category of 'Orange' which represents marginally polluting units. India Textile Industry involves employing **35 million workers** directly and it also accounts for **21%** of the total employment generated in the economy.

In early 1980s China started its international textile manufacture and trading. Today, due to the condition of plenty of resources and cheap labour force in this industry China’s textile industry has been crowned as the world’s largest in terms of output. It is predicted that in the coming years, Chinese textile industry will remain the strongest among all as it owns the perfect industry chain and large domestic market. **China in textile and apparel is considered to be the strongest competitor in terms of the size, depth, spread and.** India has a complete supply chain starting from a vast raw material supply to high quality finished product. China produced various types of weaving, because **silk** is the most versatile type of raw fiber used in the production of woven fabrics. On the other side, India had all kinds of cotton textile techniques.

Trading of textiles and clothing has always boosted the GDP of India. India’s GDP is projected to grow 6.9%. India still remained among the front runners in economic growth despite of the global crisis. The effect of slowdown is primarily due to deceleration in industrial growth. Hike in both in the domestic market and the export production of textiles is due to the investment flow that affects GDP. India holds around **25% share** in the cotton yarn industry across the globe. India has a marked presence after US and EU in following countries namely UAE, Saudi Arabia, Canada, Bangladesh, China and Japan. In the total textile exports readymade garments account for 44.99 UAE which is Non-quota country holds the largest market with 7% of textile exports and 10% of garment exports from India.

**Export to UAE**

Textiles and Garments Who Exports from India In the year 2010-2011 the total export of India was stood about 20% and approx the value in us $ 13 billion. In UAE they have a largest market for Indian textiles. UAE import approx 7.5% India’s total textile exports and 10% of India’s
garment exports. UAE is the important country for India’s exports regarding readymade garments. Dubai is a world trade center in UAE. Idea regarding export was born and promotes current growth and strength of textile industries. Dubai is manufacturers in textile and clothing which is dependent on raw materials. Around 90.5% of raw materials are imported and only produce 9.5% from local market.

In Dubai there are 80% manufacturers who have getting positive outlook for the future regarding textile market. 61% of manufacturers were achieving low price strategies. Also improved product quality, adopting new technologies and also competing with competitors and create a position in world market.

A survey was providing information that local textiles and clothing manufacturers and also compete’s their products and a capable to compete with global market. They also improve and some like: Low production cost, Qualitative products, Enter into strategic, alliances, Developed joint venture. UAE provides a data regarding FTAS and its effect regarding on positive effect, negative effect and also no effects and also country wise effects.

Textile industry plays an important place in the country of UAE. UAE economy is particularly affected in Dubai because Dubai’s contribution regarding and providing employment and also foreign exchange earnings and industrial outputs. 89% of raw materials are imported and 11% are achieving from local market in Dubai. The title UAE apparel and textile industry outlook 2016- which is focus on re-exports and also emerging high- end retail sector” provides a comprehensive analysis regarding of various analysis like a market size of UAE apparels and also textile industries.

Total textile exports during the year 2012-2013 at Rs. 137620.48crore as against RS.129830.33crore of the financial year. In the year 2011-2012, it should be increasing around 6.03% in terms of rupees. Taiwan providing high range of agenda and also we try to expanding business regarding on textiles. Taiwan also spend approx 3.8%- 4.2& of income on apparel.
**Concept For Textile Recycle**

**Textile recycling** can be termed as the method of reprocessing used clothing, fibrous material and clothing scraps from the manufacturing process. Almost 100% of household textiles and clothing can be recycled, irrespective to its quality. The concept of recycling has been developing day by day. It is because today everyone is identifying the need to protect our environment by adopting ecological aspect. **Textiles constitute five percent of municipal solid waste by weight.**

Majority of textile waste comes from household portion. Apart from ready made garments there are also textile waste that could contribute in recycling process by involving yarns and fabric manufacturing, apparel making processes and from the retail industry. Some textiles become wiping cloths and polishing cloths. Awareness in textile recycle concept has known that nearly **16.5%** of textiles are kept out of landfills.

It is known that 46.5%, of the post-consumer textile waste are sold to developing countries. It is estimated that 26.5% of this post-consumer waste are converted into fiber. Ultimately the products formed are used as manufacture for pre-consumer textile waste. Recycling is not only beneficial to environment but is also profitable to any business.

Set up of this concept is selected in **Ajman.** It is a major manufacturing hub of UAE by offering free zone facility that was set up in 1988. Due to this free trade zone it allows 100% foreign ownership and fair justice towards profit earned. Ajman Free Zone (AFZ) has effective policy in creating and maintaining the industries and business that support friendly environment for domestic and foreign companies over. AFZ also supports by offering the facilities like foreign investment5 and trade, entrepreneurship, manufacturing and industrial activities and so on. Ajman Free Zone is attracting one because it offers better infrastructure that tend to create the ideal commercial atmosphere.
7. **TEA INDUSTRY**

Our project title for previous semester was “Overview of Major Industries in UAE”. UAE is the fastest growing and developing country in world. The industry sector in UAE has become very much competitive in last few years with increase in different industries like Tea, Tourism, Gold, Electronic Equipment’s industries. Day by day the competition is becoming strong and challenging. We collected different information on the major industries, which are the major industries prevailing and how much are they contributing majorly to GDP & income in UAE. Ultimately the industries which gives growth to the economy of UAE and world too Our project report mainly focus on what the different industries, which are the major industries among it. The report also gives the brief knowledge about the history, growth and the contribution of that particular sector to industry as well as the economy of UAE The report also gives highlights the import, export and re-export statistics of major industries in UAE The report also gives brief idea about relations of UAE with different countries and majorily its relation with India.

The brief citing about the major industries are as below:

**Oil & Natural Gas Industry:**
It is major producer of Oil & natural Gas & it stands on 7th position in the world.
The economic Growth of UAE is largely dependent on Oil & natural Gas industry

**Gold Industry:**
It is fastest growing Gold Center and the reason for the development is free trade zone

** Tourism:**
Among the non-oil sector, Tourism is the most developed sector.
Tourism industry gives the flow of foreign cash in to Emirates

**Construction Industry:**
Dubai has seen a major boom in construction industry for making it a hub for some of the world’s biggest construction companies.
Aerospace industry:
UAE is the most political stable country. Their military & major commercial airlines are currently in process of expanding its aircraft fleets over next several years

Agriculture & fishery Industry
It a primary source to raise contribution to GDP
It is also a primary source of income to backward class people.

Date industry:
UAE is a country to be globally classified as 7th major producer country among the world
UAE produce 6% of world’s total date production.

Electronic Industry:
Most of companies in UAE includes to providing services under electronics equipment suppliers and services have to focus on the business computing needs of manufacturing companies, retail and distribution networks. In UAE, they are few companies are experienced and equipped to provide comprehensive barcode solution through in house qualified professional to do system integration and customization of software.

Tea industry
Tea industry is one of the fastest and growing industry all over the world. It is the 5th largest tea export country in the world.
We have selected Tea industry as a major industry having an opportunity in UAE to start a business.

The tea industry is one of the growing and competitive industry in whole world.
To cope up with the world the companies has to constant find out the new opportunities in the present market as well as new market
**UAE’s top 5 import partners:**

China -- 4.5%
India -- 3.4%
United States-- 3.1%
Japan --2.8%
Germany --2.4%

**The UAE’s top 5 export partners are:**

Japan -14.7%
South Korea - 6.4%
Thailand- 4.2%
India -3.7%
Iran -2.9%

**PEST ANALYSIS OF TEA INDUSTRY**

Pest analysis is concerned with the macro environmental factors. It discuss the issues directly affected with strategic development of business. PEST analysis helps in determine the external environment which affects the business.

**POLITICAL ANALYSIS:**

The policies related to industrial and manufacturing sector in UAE has a strong policy formulation and implementation. Due to lack of democracy there would be a challenges for better development of manufacturing sector UAE has a better foreign relationship with different countries namely US, UK, India, China, Japan etc which helps in increase foreign investment in country. The country is one of the foremost Gulf countries to have conducted partial elections in the region.
ENVIRONMENTAL ANALYSIS:
Tea industry sector has become very well aware about the needs to develop the sector, keeping in mind the environmental factors also and move towards the long term benefits. Many industries have been investing their resources to show the environment issues and find out new business opportunities.

SOCIAL ANALYSIS:
Social factors have a great impact on business and its overall environment. With the change in society the business has also to change accordingly to stand out in the market. Electronics industry is in continuous research about the social factors like culture adopted in the country, taste of customers, beliefs for the products etc.

TECHNOLOGICAL ANALYSIS:
In electronics industry, producers are consistently engaged in making new products and such type of products which are easily accepted by consumers. With the changing environment and trends and also changing consumer demand there is urge of inventing new things. New innovation and research has become a crucial task for the development of this sector. With the crunch in the customer electronics industry, manufacturers, produces are under tremendous pressure to make new products. The consumer electronics equipment and machinery industry has seen a wave of innovation sweeping the industry.

There would be used of new technologies and shorter product development cycles, new products are constantly made their ways to the shelves. Examples of such consumer electronics products include the mini disc, recordable CDs, the digital audio tapes, and the MP3 player. The main purpose of this research was to shed some light on the adoption behaviour of consumers in relation to new audio and video consumer electronics innovation.

New products and innovation in electronics items often come with high risks as most of them failed in the marketplace. There has been extensive research and development carried out to unveil and discover the critical success factor affecting adoption as well as on the process of innovation diffusion itself.
Tea is the most consumed drink in the world after water. It is a refreshing, thirst-quenching beverage. Tea is a natural product and virtually calorie-free when drunk without milk and sugar. It is served and drunk in a number of different ways across India. Sometimes it is brewed and served with milk and sugar, or the leaves are boiled with milk, water, spices, and sugar. On railway stations, trains and street corners, sweet milky tea is poured from hot kettles into disposable cups or mugs. Tea is always served to welcome guests in modern homes as a sign of hospitality.

Over the last few decades, tea has become one of India’s most important commodities. Not only is tea indigenous to India, it is also something that the country takes a lot of pride in as India is the second largest tea producer in the world after China. Tea contributes greatly to the country’s GDP growth as well as foreign exchange earnings.

Accounting for over 30 per cent of the global production, India is a world leader in all aspects of tea production, consumption as well as exports. It is the only industry where India has retained its leadership over the past 150 years offering a variety of products, from original orthodox to CTC and now green tea, Darjeeling tea, Assam tea and Nilgiris tea. No other country has so many popular varieties of tea.

Tea is one of the most popular and widely consumed hot beverages worldwide. More than 30 countries grow tea. Tea Industry has seen a lot of changes in the past few years, the world’s largest tea producer, India, lost its position to China for the first time, in the last 110 years. Despite its fluctuating position in the world market, India is a key source for tea as well as the largest market. There is a need to understand the factors which influence the demand and supply scenario in the Indian Tea Industry, in order to facilitate, practitioners’ ability to modify and adapt to the changing environment.

**GLOBAL TEA SCENARIO**

Tea is one of the most popular and widely consumed hot beverages all over the world. Today cultivation of tea is spread over all the continents wherein more than 30 countries are into tea production. The estimated global production is 3800 million kg, out of which 43% is exported
and the world consumption being 3700 million kg approx., the global production and consumption are finely balanced with production little ahead of demand. Tea, being an agricultural commodity, its production is bound to fluctuate due to vagaries of nature; the prevailing difference between production and demand is well below any reasonable limits.

Amongst all tea producing countries, the major producers are India, China, Sri Lanka, Kenya and Indonesia. These five countries contribute 77% of the total world production and 80% of global exports.

In the past few decades, many new entrants have joined the tea family; notable among them are African countries like Kenya, Malawi and Turkey etc. In the international market, the Vietnam and China have emerged as the prominent forces to reckon with, during the last decade. Across various countries, the average per head consumption of tea varies widely, from more than 2 kg in Ireland and the U.K. and around 1 kg in Sri Lanka and Pakistan to only 800 grams in India. Still despite having one of the lowest per head consumption in the world, the total consumption in India is the largest due to its population size.

This distinct position is in sharp contrast with other producing countries, which hardly have any domestic demand. In the last decade, there has been a relative decline in the production of black teas and an increase in the production of green tea which has more than doubled 692 m.kgs in 1998 to 1490 m.kg in 2007; this is mainly due to a huge expansion in China. Over the past ten years, the entire increase in global production is accounted by the Green Tea since the black tea production remained static around 2300 million which could be attributed to the scientific studies linking green tea drinking with reduced cancer risk whilst the latest studies have proved that black teas too have the same healthy properties as that of green tea. Since 2001 China’s production has grown by 464 m.kgs i.e. 8.8% cumulative annual growth and because of this steady growth, India’s position has been pushed to 2nd place since 2006 when China’s production exceeded India’s for the first time in 110 years and has continued to be higher since then.
8. PHARMACEUTICAL INDUSTRY

The UAE is a federation of Seven Emirates, each governed by a hereditary emir, with a single national president.

Abu Dhabi
Ajman
Dubai
Al-Fujairah
Sharjah
Al-Raz-khaimah
Quwain

INTRODUCTION ON PHARMA MARKET IN UAE

The UAE pharmaceutical market is one of the most developed markets in the Middle East, with a strong healthcare infrastructure and the highest per-capita medicine expenditure in the region. In UAE, there are nearly 157 pharmaceutical companies, of which 32 are Innovative enterprises. The 6 largest representatives of the pharmaceuticals market generate nearly 38% of its value. In 2011, innovative pharmaceutical companies produced products with a value of 12367cores Rs. To the UAE market. that the value is 42% of total market. As per data 58% of the IMPORT from other side. Like as USA, UK, INDIA And that are amount was Rs.17081 cores.

OVERVIEW OF PHARMACEUTICAL SECTOR IN UAE

![Medical Consumption Chart]
PESTEL ANALYSIS OF UAE

PESTEL analysis is help on to the Understanding gained from country profiles can be used to plan business investment or market entry in a particular country. The insights provide ideas about key business opportunities. The profiles also provide an overview of the legal and regulatory framework to start or operate a business in the country.

POLITICAL
Govt. should apply sustainable policies for the beneficial of the Industry. The central government makes laws dealing only with defense, foreign policy, communications, and immigration. Between the seven emirates they serve as members of the Supreme Council of the Union (SCU) and elect a President from among themselves. Each Emirate has its own governmental institution. The ruling family of each Emirate is a member of the Supreme Council, which is responsible for policy-making and electing the president and vice president for five-year terms.

ECONOMIC
The UAE has one of the most open economies in the world. This tradition of welcoming business and trade goes back to early Gulf history, when ships sailed to India and along the coast of East Africa. The GDP per capita fell by 42% in the 2010, but successful diversification helped to provide a positive growth of 48% in the 2012. The UAE government wants to preserve its traditional forms of art and culture.

<table>
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<th>NAME</th>
<th>POPULATION</th>
<th>MEDICAL CONSUMPTION (%)</th>
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<td>03.0%</td>
</tr>
<tr>
<td>QUIWAIN</td>
<td>69936</td>
<td>01.5%</td>
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</tbody>
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SOCIAL
Islam plays a large role in business. Women are seen as equals and are protected by rights and privileges lay down by Islam. Many multinational companies providing the employment on various emirates in UAE. Government also providing the health facility in each emirate in UAE.

TECHNOLOGICAL
Technology is important factors to each developed country. In UAE also adopting latest technology on health care sectors so, that is providing best facility. UAE also developed strong health policy to the various emirates so, better way to providing good health service in short duration at near places.

ENVIRONMENTAL
The country has a strong integrated environmental development program, with supporting economic policies. UAE government try get’s 100 % healthiness in UAE to next 10 years. Strike law of GCC so, easily not available any drugs in market. Government also try to protect the environment and developed strike law.

LEGAL
Court proceedings in the UAE are time-consuming. There are no juries; only a single judge or a three-judge panel (depending on the case) hears cases. All evidence submitted to the court must be in Arabic. Strike law are being adopting by various emirates.

OVERALL SENARIYO OF PHARMA MARKET

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<th>Region</th>
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<tbody>
<tr>
<td>North America</td>
<td>38%</td>
</tr>
<tr>
<td>Europe</td>
<td>29%</td>
</tr>
<tr>
<td>Latin America</td>
<td>6%</td>
</tr>
<tr>
<td>Asia/Australia/Africa</td>
<td>15%</td>
</tr>
<tr>
<td>Japan</td>
<td>12%</td>
</tr>
</tbody>
</table>
EXPORT & IMPORT DATA OF MEDICAL DRUGS IN INDIA

<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Import</td>
<td>8655</td>
<td>13482</td>
<td>23791</td>
<td>19499</td>
</tr>
<tr>
<td>Export</td>
<td>12021</td>
<td>15636</td>
<td>24477</td>
<td>23970</td>
</tr>
<tr>
<td>Total trade</td>
<td>20677</td>
<td>29119</td>
<td>48268</td>
<td>43469</td>
</tr>
<tr>
<td>Trade Balance</td>
<td>3366</td>
<td>2154</td>
<td>686</td>
<td>4471</td>
</tr>
</tbody>
</table>

Available of Market

<table>
<thead>
<tr>
<th></th>
<th>Dubai</th>
<th>Abu Dhabi</th>
<th>Sharjah</th>
<th>Ajman</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other (%)</td>
<td>42</td>
<td>14</td>
<td>33</td>
<td>23</td>
</tr>
<tr>
<td>India (%)</td>
<td>18</td>
<td>19</td>
<td>26</td>
<td>23</td>
</tr>
<tr>
<td>UK (%)</td>
<td>14</td>
<td>13</td>
<td>22</td>
<td>16</td>
</tr>
<tr>
<td>USA (%)</td>
<td>26</td>
<td>21</td>
<td>19</td>
<td>38</td>
</tr>
</tbody>
</table>

HOW TO ENTER IN UAE MARKET

General Partnership company
Joint venture company
Partnership-en-commandite
Public shareholding company
Private shareholding company
Limited liability company
Share partnership company
Partnerships (permitted only to UAE nationals)
PRESENT RELATIONSHIP WITH INDIA
India has social and mercantile contact with the region comprising the seven Emirates. The relationship between India and UAE has been traditionally closely and friendly and rests on firm foundations of political, economic and cultural links. People-to-people contacts and barter trade for clothes and spices and various medicines from India in exchange for dates and pearls from the region have existed for centuries. Sharjah and Dubai were the main hubs for trade with the western coast of India and, in particular, the Malabar Coast. Today UAE is home to over one million Indians. A large Indian expatriate community resides and engages in the UAE in economically productive activities.

KEY PLAYERS OF UAE
Formosa pharma International-Ajman
Cooper Pharma General corporation-Abu dhabi.
Emirates Industrial Filters-Sharjah.
Sunflower pharmaceutical pvt.ltd-dubai.
JKN International FZC-Dubai.
Abu Dhabi Medical pvt.ltd-Abu dhabi.
Elis Pharmaceuticals Ltd-Dubai.
Alice international pvt ltd-Ajman.
Al-Zahra drugs corporation-Ajman.

KEY PLAYERS OF INDIA
Abbott India limited- Mumbai
Cadila pharmaceutical ltd. Ahmadabad
Cipla ltd.-Mumbai
Dr.reddy’s laboratories ltd.-Hyderabad
Glaxo smith Kline- Mumbai
Glenmark pharmaceutical ltd- Mumbai
Mankind pharma ltd-new Delhi
Ranbaxy laboratories ltd- Haryana
Torrent pharmaceutical ltd-Ahmadabad
BUSINESS OPPORTUNITY IN FUTURE
India and the UAE are making robust efforts to renew and strengthen the bilateral economic and trade relations. The relationship between the two countries has evolved into a significant partnership in the economic and commercial sphere, with UAE emerging as the second largest market globally for Indian products. If India can adopting systematic strategy in UAE then possible to gets more market in UAE.

INDIA PHARMACEUTICAL INDUSTRY SCOPE
Cardiovascular
Anti depressants
Anti diabetes
Anti cancer
Hypertension
Asthma
Congestive heart failure

GOVERNMENT SUPPORT FOR INDIAN PHARMA INDUSTRY
Tax benefits
Exemption from VAT and related fees in several states
Grants for startups focusing on biotech
Fiscal help with subsidies and patents
Assistance for companies looking to expand or set up biotech parks in India.
Monetary help for utilities, investment, land and more areas development purpose
Permission to test on bigger animals granted as per Prime Minister’s initiatives for this sector

PROBLEM FACED BY PHARMA SECTOR
Patent rules : weak implementation of patent law.
Low merging rate in various generic drugs.
Increased generic competition.
Regulatory change and political impact.
SWOT ANALYSIS

Strengths:
Free Trade Zones
Relative ease of business start up.
Low risk on investment.
High standard of local producers.
Sufficient infrastructure.

Weaknesses:
One needs a network of people in order to expand.
Low R&D budget.
Inadequate infrastructure.
Poor industry academic linkage.
Poor world class project skills.

Opportunities:
Large export market.
Bio-generic & bio-pharma.
Attractive destination for contract manufacturing.
Research contract manufacturing.

Threats:
Sandstorms and dust storms occur frequently.
Bulk drug industry increases the competitive country.
High international industry standard & strict regulation.
Continuous increase in production costs.
9. SPICE INDUSTRY

ABOUT UAE:

The 7 Emirates of United Arab Emirates was formed a federation in the year of 1971 and have since worked personally together to construct a stable political environment and stable economy. Abu Dhabi, Dubai, Sharjah, Ajman, Qaiwain, Ras Al Khaimah, Fujairah are the name of UAE emirates. UAE occupied area is 83,600 km². Abu Dhabi is the Capital of UAE. UAE’s Official language is Arabic and English is used for the business purpose. Although the emirates keep up a great amount of independence. UAE is governed by a Supreme Council of Rulers made up of the 7 emirates. The president of UAE is Khalifa Bin Zayed Al Nahayan and Mohammed Bin Rashid Al Maktoum is a Prime Minister. The currency of UAE is UAE Dirham, GDP is 190 billion US $ and per capita income of UAE is 38.00 US $.

Abu Dhabi is the 1st largest emirates of UAE and also a federal capital of UAE. It covers area of about 16.8 million square feet. Dubai is the 2nd largest emirates of UAE. It covers area of about 3,900 kilometer. Dubai provides the basis of the trading industry like Pearling and fishing. Sharjah located at southern border of Dubai. Total area occupied of Sharjah about 2,600 square kilometers. One of it’s mostly production is to produced the salt, pearls and is the artistic and instructive centre of the UAE. Ajman is the smallest emirate among all with 260 square kilometers. Real assets business is also been developed. As all emirates business as Ajman’s follow them that Fishing provides finance to locality. Qaiwain is the second smallest emirate and it covered the area of about 770 square kilometers. As the sea is near though their local business is fishing. Ras Al Khaimah situated at northen side of UAE. Al Qasimi family rules Ras Al Khaimah. It occupied an area of 1,700 square kilometers. They create money from stone quarries. This city has a rich history of renowned port and exquisite pearls, that pearl are famous for their whitening roundest available anywhere. Fujairah is only one Emirate which does not have any coastline on the Arabian Gulf of Oman. It covered the area of 1,300 square kilometers. It has a large part of the desert of terrain, mountains and plains are likely features. Because of joint with sea port they involve in fishing and agriculture.

Pestle Analysis: PESTLE analysis of UAE for specifically related to spices business is classified in four parts like cuurent strengths, Current Challenges, Future prospects and Future risks.
Political Analysis

**Current Strength:** Strong policy formulation and implementation is the strength of UAE.

**Current Challenges:** Due to lack of democracy there would be challenges for better development of manufacturing sector.

**Future Prospect:** UAE has a better foreign relationship with different countries namely US, UK, India, China, Japan etc which helps in increase foreign investment in country.

**Future Risk:** The relationships between the Iran & US may lead to war between these two countries, As a result UAE's commercial interests are likely to suffer. It is a future risk for UAE.

Economic Analysis:

**Current Strength:** High per capita income is strength of UAE. By $ 38,900 UAE is worlds 23rd highest capita income country. Strong trade surplus situation has maintained by UAE during 2000 to till today and it has improved over the years. The major contribution is possible from oil exports.

**Current Challenges:** Debt Issue is the current Challenge for UAE. At present govt. is passed through the major debt issues around $ 109 billion. UAE Dependence on oil revenue. The 2/3 of revenues are comes from the oil & gas sales.

**Future prospects:** The UAE government is making consistent efforts to improve its economic ties internationally. From the year of 2002 UAE & India have seen inclusive and fruitful support in economy and trade. Approval of New Emirates Development Bank done in June, 2009. Its original capital is $ 2.9 billion. The purpose of bank is to help the trade related issues.

**Future risk:** The 51% of any business must be ownership of UAE and the business projects also managed by a UAE or BOD with a majority of UAE nationals. Its Hurdles to foreign
investment

Social Analysis

**Current strengths:** Liberalized labor immigration is the strength for UAE. Rules & regulation for labor are less restrictive and need to improve. Foreign labor contribution is 75% approximately in labor force of the total workforce.

**Current Challenges:** The UAE's Literacy rate is 77.9% which is low compared to other countries. Low level of education expenditure might reduce the availability of skilled domestic labor in the country.

**Future prospect:** Usage of Spices - Currently UAE importing Spices are mainly procured from India, China, Sri Lanka, Vietnam to name a few. Retail development is more focused in Abu Dhabi, Dubai and Sharjah, the three largest emirates of the UAE which account for nearly 75 percent of the population.

**Future risk:** As per the available data observe estimates that the rate of unemployment is predictable to increase to 5.8% by the year of 2013.

Technological Analysis

**Current Strength:** Fast growth in its telecom sector since privatization began. More than $ 6 billion revenues generated through the telecom sector in 2009.

**Current challenge:** Poor Science education - Education laws are based on Islamic principles; schools have traditionally not faithful enough attention to science and mathematics.

**Future prospect:** Technological Development - UAE has deal with the US and China for expanding the technological sector.

**Future risk:** Low level of intellectual property rights - UAE registered only 9 patents with the US Patent and Trademark Office, compared to 95,037 in the US, 1,525 in Israel.
Legal Analysis

**Current strength: Low tax legislation** - UAE each emirate has its own income tax declaration. No tax levied on personal income, including all types of capital gains & salaries. Negligible sales taxes levied 10% tax on hotel bills in Dubai.

**Current challenges: Compliance to local ownership laws** - 51% of any business must be required local ownership of UAE, apart from those within the free trade zones.

**Future prospect: Improved policy towards industrial sector** - It is predictable to amend in near future to carry policy as per the WTO norms. The policy towards the industrial segment is gradually modified.

**Future risk: Government interference** has impeded business and domestic activities. UAE government Keeps totals control over non-native companies may enter or do business with the federation.

Environmental Analysis

**Current strengths:** With the help of integration of environmental evaluation into business activities has improving the environmental recommendation of the UAE.

**Current challenges:** The main reason for increased the level of emissions is continued growth of petroleum, manufacturing industries, metals production and road traffic.

**Future prospects:** Wastewater treatment and recycling plant was launched in April 2010 at the Al Ghail Industrial Park funded by the japanese government with investment of about $4.5 million for construction of the plant.

**Future risks:** Increasing hazardous effects of desalination - The salt water discharged into the Gulf waters, hence, has harmful environmental implications. Higher cost of drinking water & rising negative effects are now become a big crisis for the UAE.
History of Spices: The Columbus was discovered the New World, it was about ancient time in the year of 1492. After 5 years means in the year of 1497, The Columbus was gone on trip under the guidance of Captain Vasco Da Gama from the Lisbon port (Portugal) with four small ships sailed southward for the purpose of finding new route for new spice lands in Asia. Vasco Da Gama too finding the same Like Columbus. But as a result Columbus not got succeed to attain the decided objective and Vasco Da Gama successfully achieved the stated goal or objective. Vasco Da Gama had took his ships around the continent of Africa to India and then he came back to Lisbon port at Portugal with only 2 of the 4 tiny ships survived to reach their homeport. These 2 tiny ships was brought back with a spices cargo and other different kinds of product worth Sixty times the cost of the said journey. Spice trading in India was encouraged under the Dutch rule and at the same time they realized that India is the land of spices. The Spices trading is encouraged by the British period of influence in contemporary India. As the spices trade increasing in India and to kept boom there is necessary to established A Board of Spices to look after the industry. The Board of Spices has to maintain each data up to the end whether it is related to production, sales, exporting or etc. Spices can also used in many ways like medicines, cooking, healthcare, Ayurveda, flavor making, etc.

UAE Scenario of Spices: At the present era the scenario about spices in UAE is importing of raw pulses from today’s most of the major pulses manufacturing countries like, Canada, India, USA, China, Australia & Myanmar. UAE is specializing for manufacturing qualitative product in Moong Dal, Masoor Dal, Chana Dal & Urid Dal. Most of the Spices are mainly imported from India, Sri Lanka, China, Vietnam to name a few. At present situation from milling and grinding UAE now diversified their areas to processing of whole spices & customer packing and capturing the local market needs or demand for business purpose. Arab & India Spices Limited was established in the year of 1986 which is one of the first millers of different kinds of pulses & ground spices in the entire of Middle East Region. Although opening reasonably with 4 Mt per day production and we have today increased the volume by 4 Mt to more than 12000 Mt per month (400 Mt per day) and annual turnover exceeds 125 million US Dollar.
Scope of establishing spices Business

Hotels: The first and foremost used of spices is to making food that is the need for the human life. Without taking food man cannot live. Spices are broadly used for cooking by each whether we talk about home, lodge, Dhaba or Grand Hotels. The Dubai has the largest numbers of 7 star hotels. In Dubai there is approximately 439 Seven Star hotels therefore it is a scope for spices trade.

Food Manufacturing Industry: Now a day’s human are using the spices for making various kinds of packed food. For that they need of spice. We can take an example of weffers, masoor dal, chana dal, mung dal etc. are the packed food. Dubai has the largest numbers of food industry approximately 2363 comparing to other emirates. So it is a second scope to establish the spices business in UAE.

Retail Stores: Even though the progress in retail sector is additionally paying attention in Abu Dhabi, Dubai and Sharjah, which are the top the three largest emirates of the UAE which account for round about 75% of the population. Consumers in the Abu Dhabi, Dubai and Sharjah which are the large emirates mostly likes to shop in superior stores and less in smaller grocery and convenience stores because of their standard of living is too high. It is a third scope of establish business in Dubai.

How to start business in UAE?: The essential to starting any business in Dubai, some of the requirement must be followed in order to fulfill the legal requirements of all government related authorities like identifying the type of business (commercial, industrial or professional), need for business license, arrangement of all the necessity requirement of the license to be issued, trade name, submit an application for preliminary approval of trade name registration, arrangement of lease agreement for business premises, arrangement of all necessary documents like Memorandum of Association, local service agent appointment and other obligatory documents, application submit to DED, fees, etc…There are three types of categories issued licenses by DED like commercial license, industrial license and professional licenses. As per the guidance, license for doing business in Dubai is issued by different authorities as given below: Industrial activities related licenses issued by DED Department of Customs, ports, and Free zone for licenses of businesses dealing with marine related activities. Food Service related licenses issues
by Dubai municipality. Air cargo services related businesses licenses issue by Dubai Cargo Village. 51% **participation** is the general requirement for all UAE established companies by UAE except
Where the law requires 100% local ownership
In the Free Trade Zones where 100% foreign ownership is permitted
Foreign companies registering representative/branches office in Dubai.

**Food safety policy** is an important and necessary topic that would be fulfilled by food industry for consumer health and safety. The policy implemented by the government for control over the industry and it is about to produces safe food for the human life. Policies are different with the different department and each department must have to work accordingly the given norms of policy developed by the government. The policy cover up Agriculture production, Food Safety and other common policies and also cover up particular food safety and appropriateness policies.
Food safety policy included Role & Accountabilities, Registration & Approvals, Verification, labeling, Halal, tools for preparing the required document and operations, competencies guarantee with major roles in the food authoritarian program, incident report system for changeable possible processers, powers of officers, penalties-offences and compliances and consumer awareness.

**Tax Policy in UAE:** In the tax policy it shows the sales tax, vat, corporation tax, custom duty, residential tax, lows about tax, personal income, national corporate tax, and property tax all about in the UAE. What is the exact condition about all these are shows in that area.

**Tax Policy in India:** In that we incurred the corporate tax, Deductibility of expense, General Tax, incentives, Withholding tax, Individual income tax etc were included in our data.

**Indian Scenario of Spices:**

The story of Indian Spices is more than 7000 years old approximately In the earliest era, the merchant of Greek thronged the South Indian markets, purchasing some of the luxurious items counting the spices. Indian spices and recognition products were the main attract for expeditions and crusades to the East.
With the entrance of the Muslims the picture changed further. Lot of Variety of spices was used in Muslim food preparations and the usage of some spices was well popularized right through the country under the Muslim rule. Arabian traders were enough clever to gain fine money supplying these spices, constant with the high prices paid to Indian persons.

In 1492, Christopher Columbus revealed the New World. India was further encouraged the spice trading by The British reign. Spices can be defined as powerfully flavored of vegetable origin, got through tropical plants, commonly used as a condiment. Indian spices buyers went up 143 from 137 with UAE, Sri Lanka, Malaysia and the USA.

**Production Data:** In that area we show the top 10 spices producers in 2011 all over the world. In that we found that India produced 71 % of global production. India is called as traditional producer, exporter and consumer and of spices. There are about 109 spices listed by International Standard Organization. (ISO) India covered spices in terms of volume is 48% and remaining 52% is for other countries and in terms of value 44% and 56% respectively. Researcher found that in all over India produced Black Pepper, Cardamom, Chillies, Ginger, Turmeric, Celery seed, Coriander seed, Cumin seed, Fennel seed, Fenugreek seed, Garlic. From that we found that all state of India produced minimum one spice product.

In that segment not only India produced the spices but Indonesia, Brazil, Malaysia, Thailand, Sri Lanka, Vietnam, China (P.R), Madagascar, Mexico, Guatemala, El Salvador, Indonesia, Papua, New Guinea, Pakistan, Bangladesh, Peru, Jamaica, Spain etc countries were also produced the other spices.

**Growth in Export of Spices in India**

In 1996-97, 2.25 lakh tones values at Rs. 1213 Crores.

In 2007-08, 4.44 lakh tones valued at Rs. 4435 Crores.

In 2010-11, 5.25 lakh tones Valued at Rs. 6840.71 crores.

We showed the Table for Major country wise export from the year of 2006 to 2011of spices from India. In the year of 2006-07 the UAE export of spices from India was 35162 Mt valued at Rs. 14181.67 lakhs.
In 2007-08 export of spices was 37748 Mt valued at Rs. 8049.47 lakhs.
In 2008-09 export of spices was 53250 Mt. valued Rs. 33803.33 Lakhs.
In the year of 2009-10 export of Spices was 54904 Mt. valued Rs. 35470.70 Lakhs.

We showed how to start the business in UAE.
Steps are as follows.
Obtain director identification number.
Obtain digital signature certificate
Reserve the company name
Stamp the company documents at authorized bank
Get the Certificate of Incorporation.
Make a seal.
Obtain a Permanent Account Number.
Obtain a Tax Account Number.
Register with the Office of Inspector.
Register for medical insurance.

Food Safety Policy in India: Food safety issued are announced by the seminars which decide the proper food safety inspection system under the currently passed Food Safety & Standards Act for ensuring accessibility of safe water & safe food and thus promoting public health. Allow authorities to identify causes of contamination and take required action to prevent contaminated foods.
The Food Authority will be helped by a Chief Executive Officer, will be liable for administration, draw up proposals for Food Authority and implement their decisions. As per the Food Safety & Standards Act it is designed that the Food Authority develops the work list from the scientific inputs & Advisory Committee from the Scientific Committee.
Set limitations & standards for contaminants
Set down requirements of labeling
Work out procedures
Point out analysis methods
They recommend food safety surveillance and monitoring system for India. They also suggest the structure of Food Control System under Food Safety and Standards Act of India. We compare the cost between UAE & INDIA. It is divided into five portion office staff, highly skilled, skilled, semi skilled and unskilled.

We found the expense rate of UAE people behind food, housing, clothes, transportation, personal care, entertainment.

**Registration for Import & Export in UAE:** We put the data about registration for import & export in UAE.

Steps for import
- Code For Importer
- Inspection of Customs
- Corresponding System
- Ambassador card
- Origin Certificate
- Clearance certificate of custom
- Debit Statement
- Order for delivery
- Exportation Certificate
- Permit from departure
- List of Packing
- Shipper
- Owner of Goods
- Representative of Goods Owner
- Goods
- banned goods
- Declaration of Customs
- Value Of Customs
- Customs duty
They gave one notified circular for import the goods from that we see that what is prohibited or permutable goods for imports. Here we gave some info about the requirement of documents for registration. The same patterns of documents are required for export registration.

For getting import export registration in India there is some rules which are as follow,

Get IEC code
IEC notification
Request for grant of import export code number
Online application for IEC code
Codes validity
Application fees for IEC code
District authorities
Import export profile of requester

From India here we conclude some states who export the spices like Andhra Pradesh, Tamilnadu, Ahmedabad, Rajkot, Kerala, Amritsar, Indore, Delhi, Pondicherry etc.

In other we describe the list of UAE importer of spices.

HISTORY OF UNITED ARAB EMIRATES
10. PERFUME INDUSTRY

Perfume market the UAE in 2012 was worth Dh 62 billion. Approximately 20 percent of the total world market. Per capita spending of perfumes in the UAE ranked the highest in the world, with average annual purchases at around Dh1227 per person. (As reported by EI Bank, 2012).

As Per the Emirates Industrial Bank report (2012), there are four mainly companies that control this market with the top position first is Ajman followed by Rasasi, Al Haramain and Swiss Arabian. The perfume industry being analyzed in this study deals primarily with companies that produce non-alcoholic, oils, and alcoholic perfumes that are targeted mainly toward the local and Arab market segment in the UAE.

Adapting to changing consumer preferences and tastes is vital for a company's survival in the UAE perfume industry. Countries which are suppliers of Agar wood are including India, Malaysia, Indonesia, Thailand, Laos, and Cambodia and else are Far Eastern countries. Most companies import the Agar wood and use their own extraction chambers to extract the essential oil ingredients from the Agar wood. This process takes minimum six months and is very complex.

Market Scenario of UAE Perfume Industry:-

The world’s highest per capita consumption of perfumes is in the gulf region. Saudi Arabia the Gulf’s largest regional market for perfumes with $827.5m perfumes consumption. UAE ranked second with $205.8million Sell of Perfume.

UAE posted highest per capita expenditure on perfumes with AED 160 billion in 2010. By 2014, sales are expected to grow by 14.4 % in Saudi Arabia and 16.5% in UAE. Fragrance are essential to the local population as they are part of the basic attire and are consumed throughout the day and during any occasion or outgoing.
Mainly local nationals consume oriental fragrance like oudh, agar wood and sandalwood which are also popular among GCC nationals flocking to the UAE. With a high standard of living and a booming economy, the UAE enables growth for potential perfume manufacturers.

Due to higher disposable incomes and the tradition of using rich perfumes, demand for perfumes is expected to grow at an average of 10% per annum. The domestic population growth has been increasing at 6% every year, with over 60% of the population falling under the age of 25.

This young market has proved to be an opportunity for perfume companies. On the other hand, only about 20% of the UAE’s population comprises of UAE nationals, while expatriates characterize the remaining 80% of the Population.

**PESTEL Analysis-:**

**Political-**: Each Emirate has its own governmental institution. The ruling family of each Emirate is a member of the Supreme Council, which is accountable for electing the president and vice president for five-year terms and policy-making.

**Economic-**: Wealth is based on oil and gas exports (Abu Dhabi) The government increased expenditure for infrastructure and job creation, infrastructure and there is a superior prospect for private sector investment. Lately there has been a rush in real estate and shares prices and consumer inflation is elevated.

**Social-**: Islam plays a large role in business Women are seen as equals and are protected by privileges and rights laid down by Islam. The perfumes has its own importance during cultural occasions and festivals.
**Technological** - Television, Telephones (land line and cell), radio broadcast stations, internet etc technologies used for selling perfumes and for manufacturing perfumes they are habituated to uae both traditional arabian methods as well as modern techniques.

**Environmental** - Arid tropical, coastal and, sandy desert areas.

**Legal** - Court procedures in the UAE are time-consuming. There are no juries; only a single judge or a three-judge panel (depending on the case) hears cases;. All proof must be submitted to the court in Arabic.

**Exporting Countries of Perfume to UAE-:**

**List of the supplier of perfume to UAE-:**

These are the countries who supply integrants of perfume as well as readymade perfume to the UAE.

<table>
<thead>
<tr>
<th>Sr. no</th>
<th>Name of Country</th>
<th>Amount (million AED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Netherlands</td>
<td>24.6</td>
</tr>
<tr>
<td>2</td>
<td>India</td>
<td>20.3</td>
</tr>
<tr>
<td>2</td>
<td>Saudi Arabia</td>
<td>16.5</td>
</tr>
<tr>
<td>3</td>
<td>Kuwait</td>
<td>10.7</td>
</tr>
</tbody>
</table>
### List of Different Types of Perfume offered in UAE Market:-

- Potpourri
- Cosmetics
- Fixative (perfumery)
- Fragrance lamp
- Fragrance Museum
- Fragrance oil
- Incense
- Ittar
- Museo del Profumo
- Pheromone
- Pomander
- Pheromone
- Potpourri
- Sachet
- Scented water

<table>
<thead>
<tr>
<th>Code</th>
<th>Product Description</th>
<th>UAE’s Imports($000)</th>
<th>UAE’s Exports ($’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2009</td>
<td>2010</td>
</tr>
<tr>
<td>3301</td>
<td>Essential oils</td>
<td>16,463</td>
<td>22,843</td>
</tr>
<tr>
<td>3304</td>
<td>Beauty, make-up &amp; skin-care preparations; sunscreens, manicure or pedicure</td>
<td>357,137</td>
<td>418,917</td>
</tr>
<tr>
<td>3303</td>
<td>Perfumes and toilet waters</td>
<td>560,248</td>
<td>617,538</td>
</tr>
<tr>
<td>3306</td>
<td>Oral &amp; dental hygiene Preparations</td>
<td>67,070</td>
<td>63,508</td>
</tr>
<tr>
<td>3307</td>
<td>Personal toilet preparations shaving preparations, deodorants etc.</td>
<td>171,162</td>
<td>199,888</td>
</tr>
<tr>
<td>3302</td>
<td>Odoriferous mixtures as raw materials for industry</td>
<td>149,729</td>
<td>191,496</td>
</tr>
<tr>
<td>3305</td>
<td>Hair preparations</td>
<td>112,844</td>
<td>131,394</td>
</tr>
</tbody>
</table>
CONCLUSION

The UAE shall develop their national laws and convention in a number of very vital areas such as intellectual property, trade in services, trade defense laws, etc. The foreigners, other than the GCC nationals, are not being allowed to own the agricultural land, but may own up to a 49% stake in the agri-business companies.

UAE has made commitment under GATS, on all the banking and other financial services but there is exception of settlement and clearing services for financial assets. Doha round has the aim to achieve major reforms of international trading system through the introduction of lower trade barriers and revised trade rules.

OAPEC co-ordinates energy policies between oil producing Arab nations whose main purpose is development. UAE is one of the fastest developing countries in the world and has shown considerable improvements in past 3 decade. UAE economy is 3rd richest economy in the world and main contribution of UAE economy is Oil and Gas sector, Gold sector, tourism sector, Perfume Industry, Electronic industry, etc

Gold sector is leading sector in UAE economy. It is second contributor sector in UAE economy. UAE’s Gold &Jewellery industry is highly unorganized and fragmented with 91 percent of the total players being family owned businesses. After studying whole project, we reached to a conclusion that UAE & India both are focusing more on development of tourism in their country. In UAE tourism industry is second largest source for income generation. UAE has all the ingredients which make tourist holiday very special & memorable.

Indian tourism industry is at growing stage & trying to develop more. For that reason Indian government is taking effective steps. They are promoting Indian Tourism by making advertisement of “INCRADIBLE INDIA” & also focusing on developing tourist friendly infrastructure. Textile is a material composed of natural or synthetic fibers. Textile could be of animal based material such wool or silk, plant-based material such as linen and cotton, and synthetic material such as polyester and rayon.
The textile industry is primarily concerned with the production of yarn, cloth and the subsequent design or manufacture of clothing and their distribution. India Textile Industry is one of the largest textile industries in the world. India Textile Industry involves around 35 million workers directly and it accounts for 21% of the total employment generated in the economy. The local manufacturing sector is rather small, slowly developing & output comprise predominately cheap, basic medicines & hence the market is to a big extent reliant on import in particulars at the hi-tech 7 of the scale. UAE economy is 3rd richest economy in the world & main contribution of UAE economy is Oil & Gas sector, Gold sector, tourism sector, Perfume Industry, Electronic industry, etc.

India Produces 71% of global spices production therefore it is easy to get the raw material if we setup business in India. Perfume Industry is one of the principal sector in UAE Economy and market capture of Perfume is very broad. UAE has a free and competitive perfume market so any one can freely enter in the perfume Business. UAE’s perfume companies have strong market position in world with well established manufacturing and sales facilities.
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