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Indian Finance Minister Set to Visit Saudi Arabia

Khalil Hanware, Arab News —

JEDDAH, 7 April 2005 — Indian Finance Minister P. Chidambaram will visit Saudi Arabia on April 12-13 to attend the Indo-Saudi Joint Commission meeting in Riyadh and help boost economic ties between the two countries, it is learned.

Diplomatic sources here said that Chidambaram, a former Harvard University professor, would also meet top Saudi leaders during his visit.

The Joint Commission meeting is being held after a gap of eight years, Indian officials said. The last meeting was held in New Delhi in 1997. Before that, a meeting was held in Saudi Arabia in 1994 and attended by then Finance Minister Manmohan Singh, now India's prime minister.

According to Tabrez Ahmad, senior assistant director — IT, Telecom, Electronics Hardware & E-Business at the Federation of Indian Chambers of Commerce and Industry (FICCI), Saroj Kumar Poddar, senior vice president of FICCI will lead the business delegation on April 13 to the investment seminar and other business meetings of Chidambaram. The delegation consists of IT & Telecom, automobile, petrochemical, air-conditioning, finance and shipping companies. Some of the participating companies are Satyam Computer Services, Wipro Infotech, Tata Consultancy Services, MEDICOM, Tata Motors (Telco), Essar Group, Coral Telecom, NSE.IT , Pointred Technology Inc, Voltas and Satnam Overseas.

This is the second high-profile visit of an Indian minister in a month. On March 28, Petroleum Minister Mani Shankar Aiyar visited the country to give a new push to India's ties with Saudi Arabia, especially in the petrochemical sector.

In recent years, trade ties between the two countries have grown with India becoming the fourth largest trading partner for Saudi Arabia.

Saudi Arabia is the largest supplier of crude to India. During 2002-2003, India's imports of crude oil and petroleum products from Saudi Arabia amounted to 18.816 million tons worth \$3.6 billion. Saudi Arabia meets 26 percent of India's crude requirements annually. The two-way trade in 2002-03 was \$5.1 billion. For Saudi Arabia, India is the fourth largest market for its exports, accounting for 4.84 percent of its total exports.

Saudi Arabia is the 22nd biggest investor in India with investments during 1991-2002 amounting to \$170 million. There are 55 Indo-Saudi joint ventures or Saudi owned companies in India. About 1.3 million Indians are at presently working in Saudi Arabia, many of whom are in the blue-collar category.

Since mid-2000, a number of Indian firms have taken advantage of the new Saudi laws and

established joint venture projects or wholly-owned subsidiaries in the Kingdom.

According to Saudi Arabian General Investment Authority (SAGIA), during last two years it has issued new 65 licenses to Indian companies for joint ventures, which are expected to bring a total investment of \$362.64 million to Saudi Arabia.