

Speech by H.E. Mr. Piyush Srivastava,
Ambassador of India to the Kingdom of Bahrain
at the Virtual Interactive Session with Bahrain India Society

(September 22,2020)

H.E. Abdul Nabi Al Shoala, Former Minister and Member of Shura Council,
Kingdom of Bahrain;

Mr. Raj Damani, Chairman, Bahrain India Society;

Distinguished Board Members and Members of BIS;

Ladies and Gentlemen;

A very good evening to all of you!

It is a pleasure meeting and interacting with you all. Unfortunately, I could only meet in person with very few members of Bahrain India Society last month due to restrictions imposed by COVID-19 pandemic. I am happy and thankful to the Chairman of Bahrain India Society for organizing this virtual interactive session, giving me opportunity to meet with the members of this society.

Bahrain India Society is playing an important role in developing ties of friendship and cooperation between our two countries in economic, cultural, sports and scientific fields. This Society, because of its membership representing the leading Bahraini and Indian businessmen in the Kingdom of Bahrain, is uniquely placed to promote trade and economic linkages between the businesses of our two countries and thereby furthering economic cooperation.

India and Bahrain have deep rooted civilizational and close ties which have recently expanded and diversified to include new areas of cooperation. Our bilateral trade now is about US\$ 1 bn. We have a multi-faceted relationship with Bahrain.

There is still a lot of potential, particularly in the area of trade and investment. Besides the traditional sectors of energy, food security, IT and construction, I see a lot newer areas of cooperation which are promising. These include renewable / solar energy, Hitech sectors of space and Fintech, pharmaceutical and medical devices and tourism and hospitality.

Friends,

Today Covid-19 has presented many challenges world over not only in the field of health but has also impacted our economic systems. However, with every challenge comes an opportunity. Both in India and Bahrain, the

Governments have taken measures to stimulate economic growth and thus opening up more and newer areas of cooperation and collaboration.

The clarion call of **“Atma Nirbhar Bharat”** by the Prime Minister of India Shri Narendra Modi is idea of an India which will engage with the global community. It aims at India becoming much stronger part of global supply chain and global value chain. The initiatives undertaken by the Government of India in the recent months like transparent and digital tax system, insolvency and bankruptcy code, comprehensive labour reforms has made India a very business friendly country.

Projects and schemes like world’s largest Housing Programme; expansion of Renewable Energy Infrastructure; boosting of Rail, Road, Air-connectivity; and National Digital Health Mission have presented many opportunities for businesses outside India to invest in the country. This is reflected in the fact that Foreign Investment worth over USD 20 bn has been received by India during this year, even during this pandemic time. The announcement of long term investment plan by Google, Amazon and Mubadala Investment also reflect the resilience of Indian economy and the confidence of investors in India.

Similarly, Bahrain’s Economic Vision 2030 aims at diversifying into sectors such as technology, real estate, tourism, power, infrastructure and transport, manufacturing, renewable energy, and fintech. Bahrain’s favourable regulatory environment with a highly competitive taxation system and 100% ownership has made it attractive to Indian IT companies. In fact, 7 Indian firms have invested about USD 3 million in ICT sector in Bahrain last year.

Friends,

The positive trend in our trade and investment cooperation is visible. Over 3000 companies are registered in Bahrain with Indian partnership. India’s total capital investment into Bahrain is estimated at \$1.7 billion. Over past 6 years or so, cumulative FDI inflows from Bahrain into India have registered marked increase. This now stands at US\$ 180 million in 2019 making Bahrain the 4th largest investor from GCC after UAE, Saudi Arabia and Oman. With the opening up of asset Management Company in India with close to US\$ 500 million corpus, Investcorp has opened the opportunity for increasing portfolio investment from Bahrain into India.

We have necessary bilateral mechanisms to facilitate this. The Federation of Indian Chambers of Commerce & Industry (FICCI) and Bahrain Chamber of Commerce and Industry (BCCI) have an MoU and established Bahrain India Business Council. Mumtalakat, the sovereign fund of Bahrain, and National Investment & Infrastructure Fund (NIIF) of India are also in discussion for further enhancing Bahraini investment in India.

Friends,

The road ahead is full of opportunities. I am confident that Bahrain India Society, a group of successful businesses, would definitely take advantage of these emerging opportunities and would further strengthen the trade and economic ties between our two countries. The Society can also act as a catalyst by informing the business community of both sides about the recent reforms and initiatives taken by the respective Governments to promote trade and investment. I invite you all to be a part of this journey and take the bilateral relations between India and Kingdom of Bahrain to greater heights.

Thank you!