

India - Oman Relations

The Sultanate of Oman, a maritime neighbor of India, is a strategic partner and an important interlocutor at regional level in AGCC, Arab League and IORA contexts. Oman also accords a high priority to its ties with India. The two countries are linked by geography, history and culture. Both countries enjoy warm and cordial relations, which can be ascribed to historical maritime trade linkages, intimacy of the royal family with India and the seminal role of the Indian expatriate community in development of Oman, which is acknowledged by the Omani Government.

Political relations

Visits at the highest level have been exchanged frequently between India and Oman. President Dr. Shankar Dayal Sharma (1996) and Vice-President Shri Krishna Kant (1999) visited Oman. Four Prime Ministers have visited the Sultanate: Shri Rajiv Gandhi (1985), Shri P. V. Narasimha Rao (1993), Shri. Atal Bihari Vajpayee (1998) and Dr. Manmohan Singh (2008).

His Majesty Sultan Qaboos bin Said Al Said visited India in 1997. His Majesty has an open invitation to visit India, including to receive the Jawaharlal Nehru Award for International Understanding. His Highness Sayyid Fahd bin Mahmoud Al Said, Deputy Prime Minister for the Council of Ministers, visited India in December 2007.

Ministerial level visits have taken place regularly. H.E. Yousuf bin Alawi bin Abdullah, Minister Responsible for Foreign Affairs visited India in February 2014 and again on June 03 to greet the new Indian leadership after the general elections making Oman the first nation to have sent a high-level dignitary after assumption of the power by the new Government. Minister of State for External Affairs visited Oman from May 3-5, 2014 for bilateral engagement. H.E. Dr. Ali bin Masoud Al Sunaidy, Minister of Commerce & Industry visited India during October 2014 for the Joint Commission Meeting.

Minister of External Affairs & Overseas Indian Affairs, Smt. Sushma Swaraj paid her first official bilateral visit to Oman from 17-18 February 2015 at the invitation of Omani Minister Responsible for Foreign Affairs. Defence Minister Shri. Manohar Parrikar visited Oman in May 2016 and four MoUs were signed. Minister of State for External Affairs, Shri M.J. Akbar, visited Oman from 13-15 December 2016 to participate in the 5th India-Arab Partnership Conference. He called on Deputy Prime Minister, Foreign Minister, Minister for Royal Affairs and Minister for Commerce & Industry.

Indian Air Force Chief visited Muscat in August 2015 and Commander of Royal Navy of Oman visited India in September 2015. INS Tarangini, Indian Navy's sailing ship, visited Muscat in May 2015. Four key ships of Western Fleet of Indian Navy, INS Deepak, Delhi, Tabar and Trishul made a joint call at Muscat Port in September 2015. Indian Coast Guard Ship 'Sankalp' visited Muscat port on a four-day goodwill visit from 9-13 February 2016. Three ships of Western Fleet were in Muscat from 21-24 May 2016. INS Tabar and INS Sumedha undertook OTR in August and November 2016 respectively. 8th meeting of India-Oman Joint Military Cooperation was held in Muscat on 9 February 2016. Defence Secretary Shri G. Mohan Kumar led the Indian delegation while Omani side was led by Secretary General, Omani Ministry of Defence. Two RNO Vessels of Omani Navy participated at the International Fleet Review in Visakahapatnam. India-Oman Air Force Staff Talks were held on 2-3 August 2016. Commander of Royal Army of Oman visited India in October 2016 and met RM and Chiefs of three Services. A five-member Omani delegation from Sultan's Armed forces visited India. An NDC delegation from Oman on 21-25 August visited Oman. Jaguar spares, which has been offered gratis by Government of Oman, were dispatched to India by three C17 sorties.

2015 marked the 60th anniversary of India-Oman Diplomatic Relations. A series of events were organized throughout the year to celebrate the Diamond Jubilee which concluded with the joint voyage of INS Tarangini and Shabab Oman from Muscat to Kochi in Dec. 2015. The two ships traced the ancient spice trade routes through the Indian Ocean between India and Oman. A joint stamp was released to commemorate the 60th anniversary of India-Oman diplomatic relations in April 2016.

Existing bilateral agreements include MoUs on Combating Crime, Cooperation in Agriculture, Civil Aviation, Cooperation between the State Audit Institution of Oman and the office of the Comptroller and Auditor General of India, Avoidance of Double Taxation, Bilateral Investment Promotion and Protection, Treaty of Extradition, MoU on Manpower, MoU on Joint Investment Fund and MoU on Cultural Cooperation, Agreement on Legal and Judicial Cooperation in Criminal Matters and MoU on Standards and Measures.

India and Oman signed an MOU on 6 December 2016 increasing the capacity entitlements of the designated airlines from existing 21,147 seats to 27,405 seats per week in each direction with effect from the IATA Summer 2017 schedule, during the ICAO Air Services Negotiations Event (ICAN 2016). The Indian side handed over the draft of an updated Air Services Agreement for the consideration of Oman side.

The historical bilateral ties were upgraded to a strategic partnership during the visit of then Prime Minister Dr. Manmohan Singh to Muscat in 2008. The Higher Committee on Economic Cooperation led by Adviser to His Majesty for Economic Planning & Deputy Chairman of Planning Commission of India identified 9 areas of cooperation: agriculture, healthcare, infrastructure, tourism, chemicals & fertilizers, education, oil & gas, power and mining. The 4th Round of India-Oman Strategic Dialogue was held in Delhi on 2-3 November 2016.

Annual India-Oman Strategic Consultative Group (IOSCG) Meetings at the Secretary-level were started in 2003 to provide a forum for open and frank exchange of views on bilateral, regional and international issues. The 10th IOSCG was held on 3 December 2014 in New Delhi.

Economic & Commercial Relations

Bilateral trade with Oman have steadily grown and was US\$ 5.77 bn during the financial year 2013-14. However, trade declined in 2014-15 by 28% to 4.13 bn owing to various factors but mainly due to falling global oil prices. In 2015-16, Oman's exports to India declined by 4.52% while India's exports to Oman registered a decline of around 8%.

Major items of Indian exports are mineral fuels, mineral oils and products of their distillation, textiles and garments, machinery and equipment, electrical and electronic items, chemicals, iron and steel products in addition to traditional items like tea, coffee, spices, rice and meat products and seafood. Among the Indian imports are urea, LNG, crude oil (through spot purchase), polypropylene, lubricating oil, dates and chromite ore. An India-GCC framework agreement on trade is in place and negotiations are on for finalization of FTA with the GCC.

India – Oman bilateral trade in US\$ million

Source, DGFT

<i>FY</i>	<i>Export</i>	<i>Import</i>	<i>Total Trade</i>	<i>% Growth</i>	<i>%Share in India's total trade</i>
<i>2010-11</i>	<i>1086.48</i>	<i>4002.07</i>	<i>5088.55</i>	<i>12.26</i>	<i>0.82</i>
<i>2011-12</i>	<i>1322.13</i>	<i>3345.94</i>	<i>4668.08</i>	<i>-8.26</i>	<i>0.59</i>
<i>2012-13</i>	<i>2599.49</i>	<i>2009.72</i>	<i>4609.21</i>	<i>-1.26</i>	<i>0.58</i>
<i>2013-14</i>	<i>2812.27</i>	<i>2951.18</i>	<i>5763.45</i>	<i>25.04</i>	<i>0.75</i>
<i>2014-15</i>	<i>2,379.46</i>	<i>1,752.24</i>	<i>4,131.70</i>	<i>-28.31</i>	<i>0.54</i>

2015-16	2190.89	1673.00	3863.86	-6.48	0.60
2016-17	1312.27	1744.66	3056.94	-20.88	

Among Indian financial institutions, SBI, Bank of Baroda, HDFC Ltd and ICICI Securities; in the Public Sector Undertakings, Air India, Air India Express, Life Insurance Corporation (LIC), New India Assurance Co., Telecommunications Consultants India Ltd.(TCIL), Engineers India Ltd.(EIL), Engineering Projects India Limited (EPIL) and National Building Construction Company (NBCC) have presence in Oman. Wipro, L&T, Shapoorji Pallonji, Jindal, Aditya Birla Group, Nagarjuna Construction Company, Simplex, KEC International are some of the private sector companies engaged in various projects. Indian construction companies won mega construction projects in 2015 in the Sultanate and continue to do so in 2016. Sebacic Oman, an Indian-Omani joint venture, will set up a Sebacic Duqm Acid Refinery worth \$ 1.2 bn. The foundation of the refinery was laid in October 2016.

Institutional mechanisms like Joint Commission Meeting (JCM) and Joint Business Council (JBC) oversee economic cooperation between India and Oman. The 7th session of the JCM and the 8th JBC (coordinated by FICCI and OCCI) were held in New Delhi in October, 2014 along with Oman-India B2B Roadshows. Next meeting of JCM/JBC is scheduled to take place on 27-28 March 2017 in Muscat. India-Oman Joint Investment Fund (OIJIF), a JV between SBI and State General Reserve Fund (SGRF) of Oman, set up in July 2010 as SPV to invest in India commenced its operations in 2011 with initial seed capital of US\$ 100 mn, which has been fully deployed. The second tranche of around US\$ 300 mn is in the pipeline.

India-Oman Joint Ventures:

Indian companies continue to make investments and execute projects in Oman. There are over 2900 Indian enterprises and establishments in Oman with an investment of over \$ 4.5 billion. The US\$ 969 million, Oman India Fertilizer Company (Omifco) in Sur (Oman) started operation in January, 2006 with a long term buy-back agreement under which India imports the entire production of 1.6 MTs of granulated urea and 0.255 MTs of ammonia. Iffco and Kribhco are equal partners in the venture with Oman Oil Company (OOC).

Bharat Oman Refineries Limited (BORL), a company promoted by Bharat Petroleum Corporation Limited (BPCL) and Oman Oil Company (OOC), has set up a 6 MMTPA grassroots refinery at Bina in Madhya Pradesh along with crude supply system. BORL, a US\$ 2.4 billion project, was inaugurated in May 2011.

Jindal Steel & Power Ltd.(JSPL) acquired the Oman-based Shadeed Iron & Steel Co LLC for US\$ 464 million from Abu Dhabi's Al Gaith Holding PJSC and is at present operating 1.5 MTPA gas based hot briquetted iron plant at Sohar Industrial port. Jindal Shadeed Iron & Steel (JSIS) recently expanded by setting-up new unit of Electric Arc Furnace and the Ladle Refining Furnace. JSPL signed a term loan agreement worth US\$ 725 mn with Bank Muscat for financing JSIS's new integrated unit. L&T have four mega joint ventures: L&T Oman LLC, L&T Electromech LLC, L&T Modular Fabrication Yard LLC and L&T Heavy Engineering LLC with the Zubair Group in Oman.

Indian companies and their joint ventures in Oman continued to win contracts for building infrastructure projects, gas pipelines, and storage facilities and are actively present in the healthcare and agro industries.

Major Economic-Commercial exchanges in 2014-16

From Indian side, trade delegations from oil & gas sector at Oil & Gas West Asia (OGWA) exhibition(3/2014), construction sector at BIG Show (March 2014,2015&2016), Electronics & Computer Software Export Promotion Council (ESC)'s IT delegation at Comex Exhibition (April 2014 & 2015), Oman's International Health & Medical Treatment Exhibition- ELAJ (March 2014,15 &16) and FICCI's infra delegation in 'Infra Oman' Show (10/2014) were major trade exchanges during 2014, 2015 and 2016. Seven health care institutes/hospitals and 15 firms from the food industry participated at Oman Medhealth & Wellness Exhibition as well as Oman Food & Hospitality Exhibition in September 2015. Three Indian companies participated at the first Mineral and Mines Exhibition in Muscat in November 2015. Delegations from Vibrant Gujarat, ICC, FIEO, PHD Chamber of commerce, Gems & Jewellery visited Oman in September 2016. Embassy organized B2Bs for these delegation.

From Omani side, Oman Chamber of Commerce & Industry (OCCI)'s Small & Medium Enterprises (SME) trade delegation's visit (3/2014) to Bangalore under the framework 'Join us to accomplish' initiative; Omani Ministry of Health's medical delegation led by Undersecretary to India for bilateral cooperation in the health sector and Public Authority for Investment Promotion & Export Development (PAIPED/Ithraa) Chairman's visit to India to participate in 4th Arab-India Partnership Conference in November 2014 were notable. Chairman of Ithraa, Oman's inward investment and export promotion Agency, led a delegation of 14 Omani companies from the food processing, fertilizers, and plastic sectors etc. to India from 10-13 August 2015. In October, an India-Oman Investment Meet was organized by Ithraa where 12 Indian companies participated. Oman participated at the International Information Technology Exhibition at Mumbai in March 2016 and at Global Exhibition and Services in April 2016 in New Delhi. Omani Ministry of Tourism organized tourism road shows in Hyderabad, Calcutta, Ahmedabad and Pune in September 2016

Trade Promotional events

Apart from B2B meetings for visiting Indian trade delegations to Oman, Mission organised an interactive business session for prominent Omani businessmen and NRIs/PIOs in September 2014 on the occasion of the Prime Minister's 'Make in India' campaign. Mission also organized 'India Business Seminars' in November 2014 and 2015 under the framework of market expansion activities attracting Omani investments to India. The Mission in association with India Tourism, Dubai organized a 'Know India Seminar' in October 2014, promoting the Indian Ministry of Tourism's latest campaign 'Find what you seek' and 'India-a 365 days destination' programme and the familiarization Seminar on 'Tourist Visa on Arrival enabled through Electronic Travel Authorization (TVoA-ETA) now known as Electronic Tourist Visa (eTV) facility for Omani nationals in December 2014.

The Embassy organizes from time to time business meets to brief Omani businessmen about trade and investment opportunities in India and B2Bs for visiting Indian delegations. An India Business Forum was organized in December 2015 and January 2016 for the Indian Business community in Oman to promote the GOI's flagship programmes such as 'Make in India' and discussing various issues confronting the Indian business in Oman.

The Embassy organized an 'Invest in India' Seminar on 7 December 2016 highlighting the attractive investment opportunities in India. Over 250 representatives of public sector organizations, investment funds, banks, business enterprises and institutions in Oman attended the Seminar.

Embassy in association with Oman Chamber of Commerce & Industry organized a Business Meet in March 2016 which focused on construction and infrastructure, minerals and

mining, health, IT and agro-food sectors in which 50 Indian companies and around 100 Omani companies participated.

ITEC programme

Under ITEC programme, seats allotted for Oman has gone up by 200% from 50 in 2011-12 to 85 in 2012-13, 125 in 2013-14, 135 in 2014-15 and increased to 150 in 2015-16.

Air Links

Currently, Air India, Air India Express, Indigo, Spice Jet and Jet Airways alongwith Oman Air are operating flights between India and Oman. There are a total of more than 400 direct flights per week between Oman (Muscat and Salalah) and a dozen destinations in India.

Indian Community in Oman

- A large, diverse, accomplished and highly regarded expatriate Indian community in Oman is spread over the entire spectrum of professions such as doctors, engineers, chartered accountants, teachers, lecturers, nurses, managers, etc. A large number of Indian doctors work in Oman in Government hospitals and in clinics in the private sector. There are also some Indian academics in the Sultan Qaboos University's various departments and faculties.
- Outstanding contributions of Indians and People of Indian Origin in Oman to the strengthening of our bilateral relations have been recognized by the Government of India through Pravasi Bharatiya Samman Awards.
- There are 19 Indian schools offering CBSE syllabus catering to the educational needs of more than 42,000 Indian children. The Board of Directors is the governing body of Indian Schools in Oman and includes an Embassy representative.
- An India-Oman Joint Working Group was set up as per the MoU on Manpower signed in 2008. So far it has held five meetings, the fifth meeting was held in 26-27 July 2016 in New Delhi. Several labour related issues like standardized model employment contract, payment of salary through banks, retention of passport by employers, exchange of information with regard to illegal recruitment and human trafficking, etc. were discussed in these meetings.

Cultural Relations

The vibrant Indian Community is keeping its cultural heritage and traditions alive in Oman. Indian Social Club, with its 19 Wings and 2 Branches in Salalah and Sohar, regularly organizes cultural events in various parts of the Sultanate of Oman.

In June 2013, and March 2014, delegations from the National Records and Archives Authority of Oman visited the National Archives of India (NAI), New Delhi to view and reproduce documents dating back to 18th century pertaining to Oman and to participate in the Foundation day of NAI.

The Royal Opera House Muscat (ROHM), for the first time during its season 2012-13, scheduled a total of eight performances by different Indian troupes including Pandit Jasraj, Zakir Hussain, and L. Subramanian. Dancers, artistes and craftsmen from India participated in Muscat Festival 2014. In September 2014, an ICCR sponsored Sufi troupe led by Sonam Kalra gave performances in Muscat, Salalah and Sohar. In January 2015, two ICCR sponsored dance groups, Gujarati Folk Dance Group and a 15-member Bhangra & Gidda Group visited Muscat to participate in the Muscat Festival 2015 and perform at the Republic Day 2015 reception as part of celebrations of Diamond Jubilee of India-Oman diplomatic relations. Muscat Festival was concluded with the performance by Legendry playback singer Asha Bhosle with the Royal

Orchestra of Oman in February 2015. An exhibition of Indian textiles 'Vastram' was held in October 2015 and an ICCR sponsored Rajasthani Folk group performed in Muscat, Salalah, Sohar and Sur in November 2015. The Second International Yoga Day was celebrated in June 2016 where over 3000 people performed the Common Yoga Protocol under one roof for the first time in Oman. An ICCR-sponsored six-member Baul Cultural Troupe visited Oman in September. The first ever Festival of India is being organized, with the support of Ministry of Culture, in Oman. The Festival was inaugurated on 15 November 2016 by Foreign Minister of Oman with the performance of Hritaal Dance Group in Muscat. On 21 November, as part of the Festival of India, an Islamic Calligraphy Exhibition was opened. The Festival I is spread over November 2016 to March 2017 and comprises Folk Dance, Instrumental Music, Food Festival Fashion Show.

Useful Resources:

Embassy of India, Muscat website:

<http://www.indemb-oman.org/>

Embassy of India, Muscat Facebook page:

<https://www.facebook.com/pages/Embassy-of-India-Muscat/142625425804515>

India Global- AIR FM Gold Program featuring India and Oman Relations:

<http://www.youtube.com/watch?v=H5xVolgvNHQ>

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