

# India-Oman Economic and Commercial Relations

The economic and commercial relations between India and Oman are robust and buoyant. Bilateral trade during FY 2022-23 reached US\$ 12.388 billion and for the FY 2023-24 reached US\$ 8.947 billion. Investment flows, both ways, have been robust, as reflected in numerous joint ventures, established both in India and Oman. There are over 6,000 India-Oman joint ventures in Oman with estimated investment of over US\$ 7.5 billion. The cumulative FDI equity inflow from Oman to India during April 2000 to June 2024 is US\$ 597.14 million.

## **Trade**

2. Bilateral trade during the last seven years is as under (values in US\$ million):

Year	Export from India	Import by India	Total trade
2017-2018	2,439.46	4,264.29	6,703.76
2018-2019	2,246.31	2,759.00	5,005.31
2019-2020	2,261.81	3,669.33	5,931.14
2020-2021	2,355.30	3,087.93	5,442.22
2021-2022	3,148.33	6,840.65	9,988.98
2022-2023	4,477.25	7,911.18	12,388.43
2023-2024	4,426.47	4,520.84	8,947.32

3. Oman is India's 30<sup>th</sup> largest trading partner in FY 2023-2024 with total trade of US\$ 8.947 billion. India is among Oman's top trading partners. India is the 4<sup>th</sup> largest source of Oman's imports for the year 2023 after China. India is the 4<sup>th</sup> largest market for Oman's crude oil exports for the year 2023 after South Korea and the 3<sup>rd</sup> largest market for Oman's non-oil exports for the year 2023 after UAE.

4. Main items of India's exports to Oman: Light oils and preparations; Ships, boats and floating structures; Aluminium oxide other than artificial corundum; Rice; Boilers, machinery and mechanical appliances, parts thereof; Aeroplanes and other aircraft; Sunglasses; Meat and edible meat offal; Birds' eggs; Fruits, Vegetables, Spices, tea, coffee; etc.

5. Main items of India's imports from Oman: Mineral fuels, mineral oils and products of their distillation; Fertilizers (Urea); Organic chemicals; Plastic and articles thereof; Salt; Sulphur; Earth and Stone; Plastering Materials; Lime and Cement; Aircraft, spacecraft, and parts thereof; Inorganic Chemicals; Aluminium and articles thereof; etc.

### **Investments**

6. Oman-India Joint Investment Fund (OIJIF) is a 50-50 Joint Venture between the State Bank of India and the erstwhile State General Reserve Fund (which has now become Oman Investment Authority) of Oman. It was set up in July 2010 as a special purpose vehicle (SPV) to invest in India. OIJIF commenced its operations in 2011 with an initial seed capital of US\$ 100 million, fully invested across seven Indian companies from diversified sectors. In 2017, OIJIF invested its 2<sup>nd</sup> tranche of US\$ 200 million in projects in India. After successful utilization of funds under tranche I and II, the 3<sup>rd</sup>

OIJIF tranche worth US\$ 300 million was announced during the visit of HM Sultan Haitham Bin Tarik to India in December 2023.

7. Oman India Fertilizer Company (OMIFCO), located at Sur (Oman), is a US\$ 969 million joint venture between Oman Oil Company and equal partners IFFCO and KRIBHCO of India. It started operations in January 2006. The plant produces anhydrous ammonia and granular urea. A long term Urea Off-take Agreement (UOTA) was initially signed in 2005 between GOI and OMIFCO under which India imports almost the entire production of 1.6 MTs of granulated urea and 0.255 MTs of ammonia, except small quantities to meet local requirements of Oman. On expiry of the initial UOTA in 2020, a fresh UOTA was finalized and signed in 2022 for offtake of 1 million tons of urea per year for a period of three years.

8. Several Indian firms have set up manufacturing units in Oman as joint ventures or in Special Economic Zones in various sectors like green hydrogen, green ammonia, green steel, construction and engineering, waste management, logistics, manufacturing, finance and capital, software solutions, communications, oil and gas etc.

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