

Omani Commerce & Industry Minister invites Indian businesses to explore opportunities in the tax haven nation

NEW DELHI, October 28, 2014. Oman offers no restrictions on the repatriation of capital or profits, up to 10 year exemption of corporate tax, up to 100% foreign ownership, customs exceptions for machinery and materials used for manufacturing and no personal income tax. Highlighting these business-friendly investment incentives **Dr. Ali bin Masoud Al Sunaidy, Minister of Commerce and Industry, Government of Sultanate of Oman**, today invited Indian businessmen to his country.

The Omani Minister is leading a large and high-level delegation, reflecting the high priority accorded to the long-standing relationship between the Sultanate of Oman and India, and the desire to continue building the strategic partnership between the two friendly countries. With this as the focus the **India-Oman Joint Business Council Meeting** was organized by FICCI.

Dr. Sunaidy said, "According to our National Center for Statistics and Information, our two countries have witnessed a surge in bilateral trade in 2013; crossing the landmark figure of US\$ 6 billion compared to approximately US\$ 3.9 billion in 2012. Today, there is a prominent Indian presence in both Oman's economy and society. Indian companies have sought to capitalize on the lucrative market opportunities in Oman's economy as it continues to rapidly grow and develop. Indian investors have managed to secure prestigious contracts with in Oman, formed joint ventures with leading Omani-based companies, and established wholly owned subsidiaries to serve the growing local and regional markets."

"Oman also has something that distinguishes us from the vast majority of other nations, a Free Trade Agreement with the United States. As a key global export destination for India, Indian firms could also benefit significantly from establishing operations in Oman to capitalize on the access we provide to the lucrative US market," said Dr. Sunaidy.

He added that Oman has historically depended on oil, gas, and mineral resources, but diversification is now a high priority and there are many investment opportunities for Indian companies in Oman's non-hydrocarbon sectors. There are four in particular, transportation, manufacturing, information and communication technologies and healthcare that can play to the comparative advantages and strengths of both the nations.

Mr. Hamed Saif Al-Rawahi, Ambassador of the Sultanate of Oman to India, said, "We have numerous and wide fields of cooperation between our two countries. There are fields for commercial, investment and industrial cooperation which are being utilized in small and medium enterprises/institutions, transformative and handicraft industries, information technology and training. It is also utilized in different fields, for example, petrol, gas, fertilizers and petrochemicals, food security and transportation and communications, higher education related to scholarship between the two countries, in addition to cooperation in intellectual fields."

Mr. J S Mukul, Indian Ambassador to Sultanate of Oman, said that there were over 1,500 Indo-Omani joint ventures and 140 Indian companies actively operating in Oman. Estimates for the last year indicate that Indian companies have secured contracts worth US\$ 1.25 billion. The bilateral trade between the countries has been balanced which shows that India and Oman have partnered in each other's economic growth. However, business relations in all verticals have remained well below potential and there was an urgent need to relook at the areas that can be harnessed for maximizing benefits for the two countries. He added that Oman has emerged as a modern economy having a world-class infrastructure and India could partner with Oman fruitfully in infrastructure sector.

Mr. Sidharth Birla, President, FICCI, said, "The Indian Government has identified 25 sectors as priority areas where we would like to see intense development and growth. In the months ahead, you would see the entire policy framework being fine-tuned to cater to the growth requirements of these sectors. The list includes many areas where businesses from Oman have shown keen interest. Chemicals, petrochemicals, textiles, food processing, electrical equipment and machinery are a few of them. I would therefore re-iterate that firms from Oman look up the opportunities here."

Mr. Birla added that the free economic zones in Salalah, Sohar and Duqum can complement some of India's SEZs and NIMZs to boost trade and joint investments. Some of the other areas where we can effectively partner are healthcare, education, IT and telecom. There are opportunities on both sides.

He stated, "Your quest for higher returns match with our requirements for long term funding and we can work out a win-win engagement model. In this building, we house Invest India, which is the official Investment Promotion Agency of the Government of India. FICCI is a joint venture partner in this concern and I request you to leverage upon the resources available with Invest India to evaluate investment opportunities in infrastructure sector."

During the Joint Business Council Meeting, some of the members of the visiting delegation showcased presentations on the India-Oman Roadshow.

On the occasion, a financial closure document was also exchanged between Jindal Steel and Bank Muscat.

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