INDIA - OMAN STRATEGIC COLLABORATION IN AUTOMOBILES, VEHICLES & CARS

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INDIA - OMAN STRATEGIC COLLABORATION IN AUTOMOBILES, VEHICLES & CARS

1. EXECUTIVE SUMMARY

India is among the world's largest automobile producers and a global hub for auto components, electric vehicles (EVs), commercial mobility, and affordable transport innovations. Oman, under Vision 2040, is accelerating efforts to diversify its industrial base, promote manufacturing, attract high tech investments, and modernize its transport and logistics infrastructure.

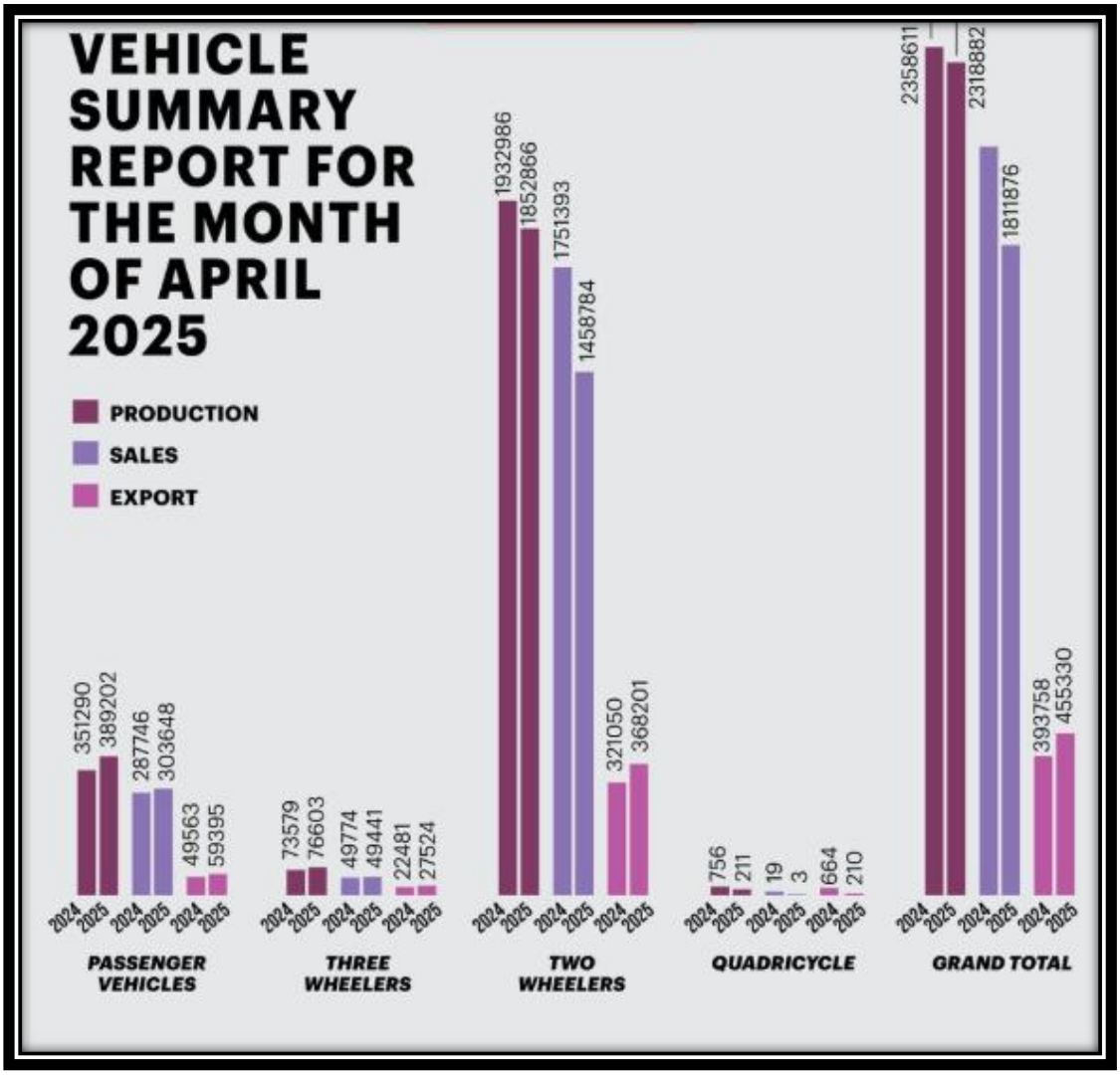
This white paper examines how India and Oman can deepen strategic collaboration across automobiles, vehicles, EVs, auto components, mobility solutions, and smart transport systems. It outlines opportunities for co - manufacturing, EV ecosystem development, dealership expansion, supply chain integration, re - export hubs, skill development, technology transfer, and sustainable mobility pathways. By combining India's robust automotive capabilities with Oman's strategic location, investment incentives, and growing market demand, both countries can create a resilient, future- oriented automotive partnership that drives industrial growth, strengthens bilateral trade, and supports long term economic diversification goals.

2. INTRODUCTION

India and Oman share a long standing strategic partnership rooted in geographical proximity, maritime trade, energy cooperation, and economic complementarities. As both nations accelerate diversification and industrial transformation, the automobile and mobility sector has emerged as a high potential domain for deeper bilateral collaboration. India is one of the world's fastest growing automobile manufacturing hubs ranked as the **3rd largest automobile market globally** and a leading producer of **two wheelers, passenger cars, commercial vehicles, EVs, auto components, and mobility technologies**. Oman, under its Vision 2040, is actively pursuing industrial diversification, logistics expansion, and the development of high - value manufacturing and technology driven sectors, making automotive collaboration both timely and strategic.

Oman's strategic location at the crossroads of Asia, Africa, and Europe, coupled with world - class logistics via Sohar Port, Salalah Free Zone, and Duqm SEZ, positions the Sultanate as a natural gateway for automobile distribution and re-export across the GCC, East Africa, and the wider MENA region. India's automobile ecosystem characterised by globally competitive manufacturers (Tata Motors, Mahindra, Maruti Suzuki, Hyundai India), advanced auto - component clusters, skilled engineering talent, and strengths in electric vehicles and green mobility offers Oman a powerful partner to build new capabilities in assembly, testing, distribution, and after sales services.

3. **<u>INDIA - OMAN AUTOMOTIVE SECTOR OVERVIEW: PRODUCTION, EXPORTS, BILATERAL TRADE & MARKET POTENTIAL</u>**



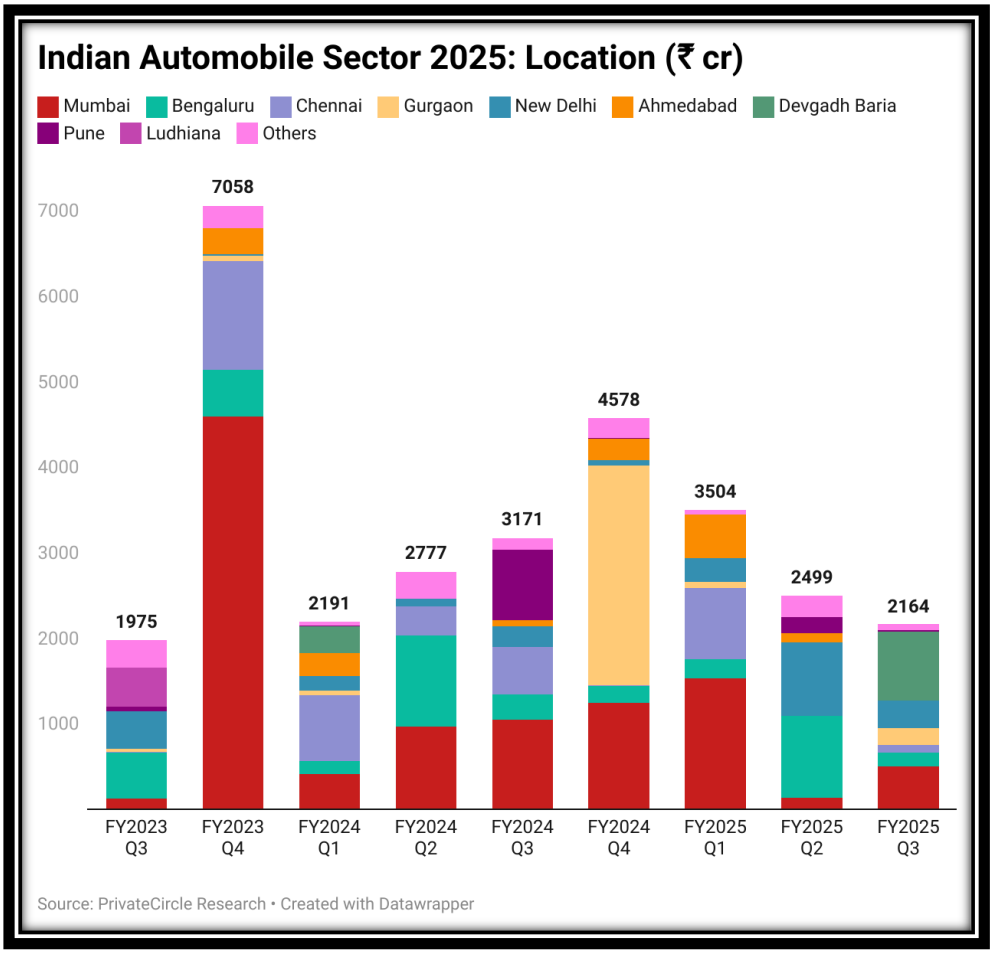
A. India's Automotive Production Capacity

India is one of the world's largest automotive manufacturers, supported by a strong domestic market, competitive cost structures, and well developed supply chains. The industry is represented by:

- **SIAM – Society of Indian Automobile Manufacturers**
- **ACMA – Automotive Component Manufacturers Association of India**
- **FADA – Federation of Automobile Dealers Associations of India**

India's Annual Production (FY 2024 - 2025 Estimates)

- **Passenger Vehicles (PVs):** 5.06 million units produced
  (includes hatchbacks, sedans, SUVs – manufactured by Maruti Suzuki, Hyundai, Tata Motors, Mahindra, MG, Kia, Toyota India)
- **Two Wheelers (2W):** 23.9 million units
  (Hero MotoCorp, TVS, Bajaj Auto, Honda)
- **Commercial Vehicles (CVs):** 1.03 million units
  (Ashok Leyland, Tata Motors, Eicher)
- **Three Wheelers (3W):** 1.05 million units
  (Bajaj Auto, Piaggio, Mahindra)



India's Automotive Exports (FY 2024 - 2025)

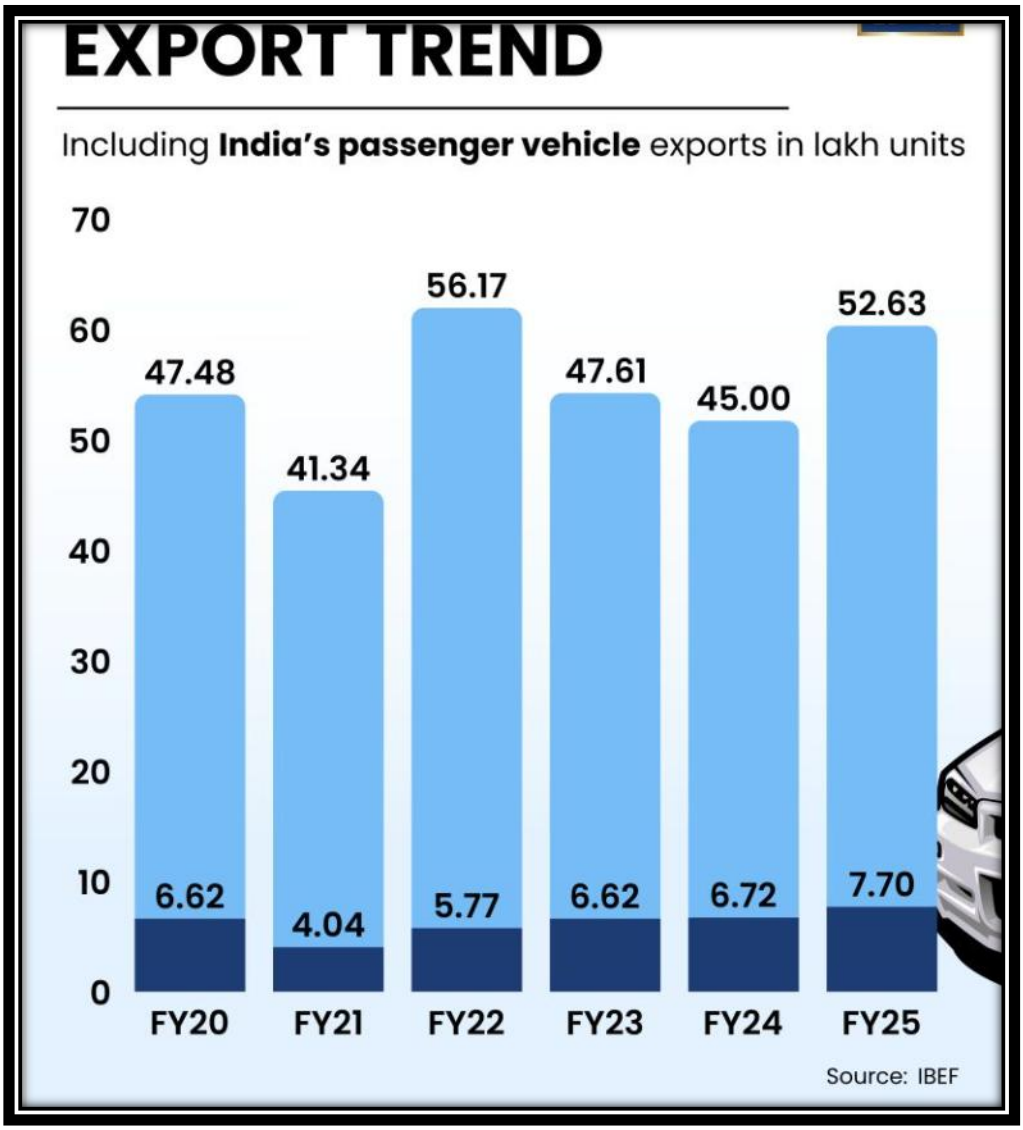
India has become a major global exporter across segments:

- **Total vehicle exports:** 5.3 million units
- Includes exports of **PVs, CVs, 2Ws, 3Ws**, and **EVs (Electric Vehicles)**
- India's component industry (ACMA) exports exceed **USD 20+ billion annually**, supplying to the US, Europe, Middle East, and Asia.

Key Strengths of India's Automotive Ecosystem

- Large-scale manufacturing and cost advantage
- Mature supply chain clusters (Pune, Chennai, Gurugram, Sanand, Hosur)
- Rising EV ecosystem supported by **FAME – Faster Adoption and Manufacturing of Hybrid & Electric Vehicles Scheme**
- Strong engineering talent and R&D capabilities

- Proven capability to serve GCC (Gulf Cooperation Council) markets efficiently



B. Oman's Automotive Market Size, Imports & Trends

Oman does not have large scale automobile manufacturing; instead, it is an **import driven automotive market** with rising consumer demand.

Automotive Market Size (2024 Estimates)

- **USD 3.12 billion** market value
- Expected healthy growth through to 2030
- High per capita vehicle ownership relative to global averages
- Preference for: SUVs, Japanese brand cars, premium vehicles, and durable commercial vehicles

Key Segments in Oman

- **Passenger Cars:** Toyota, Nissan, Hyundai dominate
- **SUVs & Off road Vehicles:** Highly preferred due to terrain
- **Commercial Vehicles:** Critical for logistics, construction, and oil & gas sector
- **Electric Vehicles:** Early stage adoption but rising; government plans pilot EV corridors

Structural Advantages of Oman

- **SEZs – Special Economic Zones** at Duqm, Sohar, Salalah
- **Modern ports & logistics** supported by ASYAD Group
- Strategic location connecting **GCC, East Africa, and Indian Ocean**
- Attractive investment incentives: tax holidays, 100% foreign ownership, reduced duties

3. India - Oman Bilateral Automotive Trade

Overall Bilateral Trade (All Sectors)

- India - Oman total trade in FY 2024 - 25: **USD 10.61 billion**
- Strong energy, minerals, and machinery trade
- Automotive trade is a growing but still under realised segment

Bilateral Automotive Trade (Vehicles + Components)

While exact figures vary year to year, available data shows:

- India's exports of **motor cars and vehicles** to Oman reach approximately: **USD 47–60 million annually**
- Includes:

- Passenger vehicles
- Two and three wheelers
- Commercial vehicles
- Auto components
- EVs and charging equipment (nascent segment)

This volume is **significant but still modest** compared to:

- India's total automotive exports (USD 20+ billion including components)
- Oman's import demand (USD 3+ billion automotive market)

This shows **large untapped potential**.

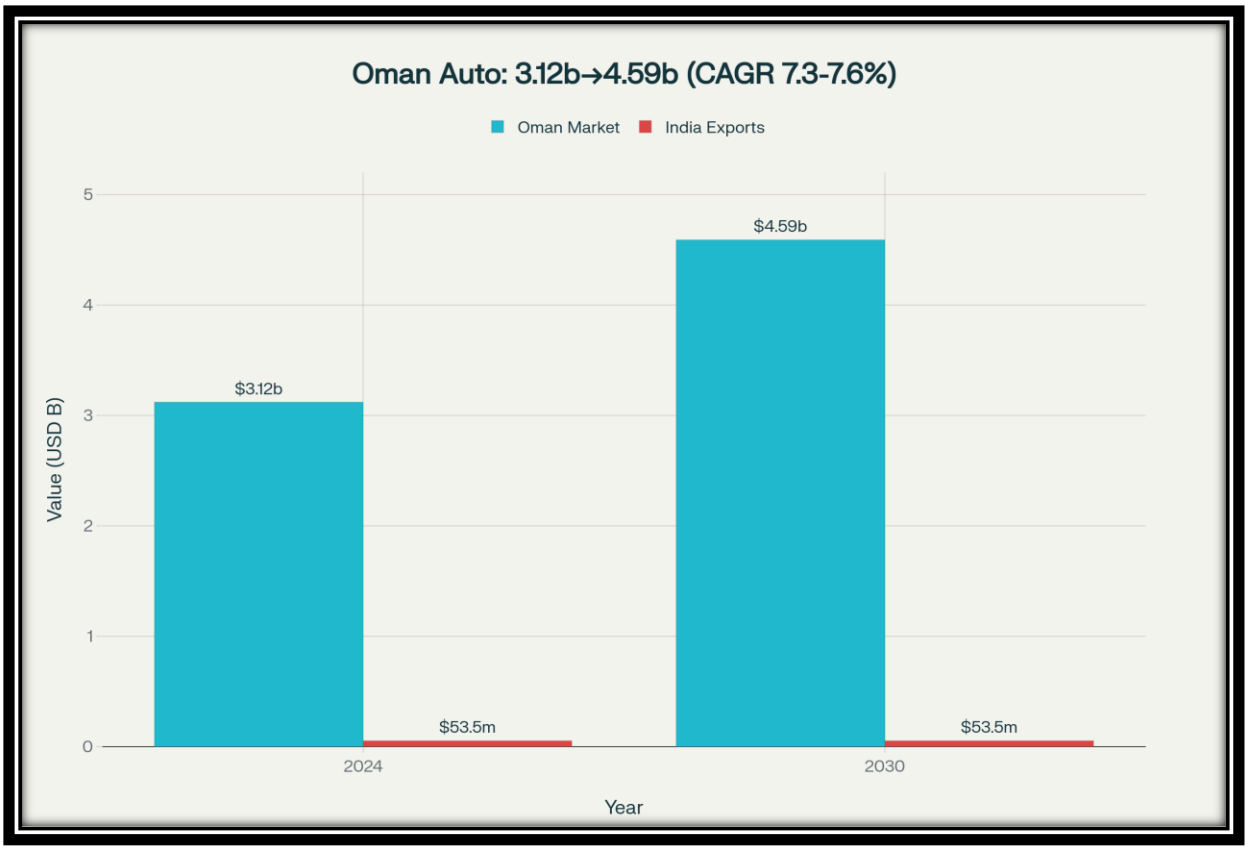
4. Bilateral Market Insights: India ↔ Oman

Why India is Ideal for Oman's Automotive Needs

- Cost - competitive vehicles suitable for GCC climates
- Proven reliability of Indian CVs, buses, and 3 wheelers
- Strong EV manufacturers with affordable models
- Capability to build Oman focused variants (right hand drive, desert cooling systems)
- India can supply both low cost and mid range market segments

Why Oman is Attractive for Indian OEMs & Suppliers

- Gateway to GCC, East Africa, and Red Sea
- Low congestion and faster customs than UAE ports
- Investor friendly environment
- Strong domestic demand for both entry level and luxury vehicles
- Scope to build local assembly & distribution hubs



3. RECOMMENDATIONS

1. Establish India - Oman CKD/SKD Automobile Assembly Units in SEZs

What it is: Set up **Completely Knocked Down (CKD) / Semi Knocked Down (SKD)** assembly plants in Duqm, Sohar, or Salalah SEZs for cars, light commercial vehicles (LCVs), buses, 3 - wheelers and EVs.

How it will work (implementation):

1. Government MoU to define incentives (land leases, tax holidays, duty deferral).
2. Indian OEMs ship CKD/SKD kits; Omani partners supply local workforce & facilities.
3. Pilot plant (capacity 5k–20k units/year) → scale to 50k+ depending on demand.
4. Integrate local supplier content progressively (local value addition).

Stakeholders: Indian OEMs, Omani Sovereign Investment (OIA/Omran), SEZ authorities, Ministry of Commerce & Industry (India), Ministry of Commerce & Industry (Oman), logistics providers.

Timeline: Quick (6 - 12 months pilot), Medium (2 - 4 years scale).
KPIs: Units assembled, local value-add percentage, jobs created, export volumes to GCC/Africa.

Benefits & Impact: Lowers landed cost for Oman, creates manufacturing jobs, enables re - export to GCC/Africa from Oman (value capture), and strengthens India's role as a regional manufacturing partner.

2. India - Oman EV Pilot & National Charging Corridor

What it is: Joint deployment of EVs (cars, e-buses, e-2W) and fast/slow charging infrastructure across Muscat - Sohar - Salalah corridor and major urban centres.

How it will work:

1. Designate pilot cities; deploy 100 - 500 vehicles per pilot phase.
2. Indian EV OEMs & charging tech firms install interoperable chargers (AC + DC fast).
3. Government co-funding/grants to de - risk first adopters and fleet pilots (taxis, buses).
4. Integrate payment systems and roaming for charging.

Stakeholders: Indian EV OEMs, Omani Ministry of Transport, utilities, distribution companies, banks for green finance.

Timeline: Quick (12 - 18 months pilots), Medium (3 - 5 years wider rollout).
KPIs: Number of chargers installed, EVs registered, reduction in fuel imports (litres), CO_2 reduction metrics.

Benefits & Impact: Demonstrates EV viability in hot climates, reduces oil dependence, creates export market for Indian EVs and charging tech, and kick-starts green jobs.

3. Auto Components Distribution & Logistics Hub (Sohar)

What it is: Bonded warehousing & distribution centre for Indian auto parts, tyres, batteries and EV components at Sohar, with value - added services (kitting, labelling).

How it will work:

1. Build/lease bonded warehousing near port with customs fast lanes.
2. Offer fulfilment for GCC & East African buyers; integrate inventory management systems.
3. Set up vendor managed inventory (VMI) for fleet customers.

Stakeholders: ASYAD Group, Sohar Free Zone, Indian ACMA members, freight forwarders.

Timeline: Quick (6–12 months to operational), Medium (1–3 years to scale).
KPIs: SKUs stocked, order fulfillment lead time, re - export volume, warehousing revenue.

Benefits & Impact: Cuts lead times, reduces inventory costs for GCC fleets, boosts Indian component exports, and strengthens Oman as an alternative logistics gateway.

4. Automotive R&D & Hot - Climate Testing Centre (Duqm)

What it is: Joint R&D/test centre for durability, EMC, battery thermal performance and corrosion resistance under desert/coastal conditions.

How it will work:

1. Build test tracks, climatic chambers and battery test labs.
2. Co - funded by Indian OEMs and Omani authorities; offer third party testing for other nations.
3. Form technical board for standards & certification aligning with GCC regs.

Stakeholders: Indian OEM R&D centres, Omani research universities, Ministry of Transport (Oman).

Timeline: Medium (1 - 3 years build), Long (3 - 5 years full maturity).
KPIs: Number of tests performed, certifications issued, number of joint publications/patents.

Benefits & Impact: Faster product development for hot climate markets, exportable test certification services, commercial revenue for Oman.

5. Commercial Fleet Modernisation Program (Buses, Trucks, Vans)

What it is: Bulk procurement & finance program for Indian CVs and buses to modernize public transport, tourism fleets, and logistics.

How it will work:

1. Government led tenders for municipal/ tourism fleets.
2. Leasing/financing options via joint India Oman vehicle finance platform.
3. After-sales agreements & spare parts stocking in Sohar.

Stakeholders: Indian CV OEMs (Ashok Leyland, Tata), Omani municipalities, leasing banks.

Timeline: Quick (1 - 2 years for pilots), Medium (2 - 5 years for fleet conversion). **KPIs:** Units procured, uptime improvement, fuel/energy savings, maintenance cost reductions.

Benefits & Impact: Improves public transport quality, long - term operating cost reduction, recurring revenue for Indian OEMs via spares & service.

6. Indo - Oman Automotive Skill & Technician Academies

What it is: Dedicated vocational centres for diagnostics, EV battery servicing, telematics and MRO operations.

How it will work:

1. Curriculum co - designed by Indian ITIs/IHMs and Omani technical colleges.
2. Apprenticeships embedded with OEMs & dealerships.
3. Certification aligned to GCC skill frameworks.

Stakeholders: Ministry of Skill Development (India), Oman Ministry of Higher Education, OEM after-sales networks.

Timeline: Quick (6 - 12 months course launch), Medium (1 – 3 years scale). **KPIs:** Number of certified technicians, placement rates, reduction in service turnaround time.

Benefits & Impact: Build local capacity, reduce expatriate dependence, improve service quality and safety.

7. India - Oman Automotive Investment Fund

What it is: Joint sovereign/private fund to invest in manufacturing, EV startups, supply chain, battery plants, and MRO facilities.

How it will work:

1. Seed capital from Omani sovereign/sovereign wealth and Indian institutional investors.
2. Target projects: assembly, battery packs, recycling, telematics, logistics tech.
3. Fund governance with industry advisory board.

Stakeholders: OIA/Omran, Indian PE/VCs, strategic corporate LPs.

Timeline: Medium (setup 6 - 12 months), Long (active investing 3 - 7 years). **KPIs:** AUM deployed, jobs created, ROI, technology transfers executed.

Benefits & Impact: Reduces financing friction for projects, attracts global co - investors, accelerates strategic industrialization.

8. Public Transport Electrification (City Bus & School Bus Pilots)

What it is: Electrify city/school bus fleets in Muscat, Sohar and Salalah using Indian e-bus suppliers.

How it will work:

1. Pilot 50 - 200 e - buses per city with charging depots.
2. Monitor performance and total cost of ownership (TCO).
3. Scale with blended financing & carbon credit monetisation.

Stakeholders: City transport authorities, Indian e-bus OEMs, utilities, green finance providers.

Timeline: Quick (1 - 2 years for pilots), Medium (3 - 6 years for scale).
KPIs: Emissions avoided (tonnes CO_2), operating cost per km, uptime.

Benefits & Impact: Demonstrates public sector leadership, reduces fuel imports & emissions, creates Omani green jobs.

9. Mobility Innovation Exchange & Startup Incubator (Muscat)

What it is: Incubator for automotive startups (EV, batteries, telematics, fleet software) with India - Oman cross - mentorship.

How it will work:

1. Co - run incubator with Indian accelerators and Omani economic development agencies.
2. Provide pilots via government fleets or SEZ partners.
3. Offer investor connect through the Investment Fund.

Stakeholders: Startup India, Oman Tech Fund, local universities.

Timeline: Quick (6–12 months), Medium (2–4 years).
KPIs: Startups incubated, follow - on funding raised, pilots commercialised.

Benefits & Impact: Builds innovation pipeline, job creation, and IP generation in both countries.

10. Certified Pre - Owned (CPO) Multi - Brand Market & Export Platform

What it is: High - quality certified pre - owned vehicle market for GCC & African buyers.

How it will work:

1. Standardised multi - brand certification protocol and refurb centres in Sohar.
2. Digital marketplace, inspection reports, warranty offerings.
3. Export logistics bundled for East Africa.

Stakeholders: Dealership groups, logistics firms, financial partners for warranties.

Timeline: Quick (6 - 12 months), Medium (2 - 3 years scale).
KPIs: Number of CPO vehicles sold/exported, average margin, buyer satisfaction.

Benefits & Impact: Monetises existing vehicle stocks, builds trade flows, and serves price - sensitive markets profitably.

11. Automotive Logistics Corridor & RoRo Services (India ↔ Oman)

What it is: Dedicated roll -on/roll - off (RoRo) shipping schedules and pre - cleared customs lanes to speed vehicle shipments.

How it will work:

1. Weekly RoRo sailings from Mumbai/Chennai/Mundra to Sohar/Duqm.
2. Harmonised customs pre - clearance and electronic documentation.
3. Track & trace with real time ETAs.

Stakeholders: Shipping lines, port authorities, customs authorities.

Timeline: Quick (set up in 6 - 9 months).
KPIs: Transit time reduction, frequency of sailings, shipping cost per unit.

Benefits & Impact: Reduces lead times, increases supply predictability, and supports OEM production planning.

12. Autonomous & Smart Mobility Testbed (Oman Smart City Pilot)

What it is: Test zone for autonomous shuttles, ADAS features, smart parking and connected vehicle experiments.

How it will work:

1. Designate campus/test corridor in a smart city or SEZ.
2. Approve regulatory sandbox for trials (speed limits, geofencing).
3. Scale successful pilots into urban mobility solutions.

Stakeholders: Ministry of Transport, Indian AV/ADAS firms, city planners.

Timeline: Medium (1 - 3 years pilots).
KPIs: Number of tests, reduced congestion metrics, safety incidents monitored.

Benefits & Impact: Positions Oman as GCC's AV testbed, helps Indian tech mature in controlled environment.

13. India - Oman Auto Leasing & Subscription Financial Platform

What it is: Cross - border financial product offering leasing, subscription and battery as a service (BaaS) for fleets and consumers.

How it will work:

1. Join banks and NBFCs to create shared underwriting standards.
2. Use asset tracking and telematics as collateral data.
3. Offer flexible subscription plans to tourists, digital nomads and corporate fleets.

Stakeholders: Bank Muscat, Indian banks (SBI, ICICI), fintech partners.

Timeline: Quick (12 months product launch).
KPIs: Number of active leases/subscriptions, NPL rates, asset utilisation.

Benefits & Impact: Lowers upfront cost barrier, increases vehicle uptake, supports EV penetration.

14. Battery Recycling & Second - Life Projects in Oman

What it is: Facilities for battery disassembly, material recovery, and second life storage applications (solar co - location).

How it will work:

1. Build recycling plant in SEZ with Indian battery technology partners.
2. Second-life units used for solar microgrids or industrial backup.
3. Establish standards for safe handling and EPR (Extended Producer Responsibility).

Stakeholders: Battery manufacturers, environmental authorities, SEZ operators.

Timeline: Medium (1 - 3 years build).
KPIs: Tonnes recycled, percentage material recovery, number of second life deployments.

Benefits & Impact: Circular economy benefit, reduces waste, supports Oman's renewable energy goals.

15. Joint Automotive Standards, Type Approval & Certification Centre

What it is: Harmonised regulatory platform for vehicle homologation, emissions testing, and safety certification aligned to GCC norms.

How it will work:

1. Mutual recognition agreements between India & Oman for certain certifications.
2. Provide one stop approvals for vehicles assembled in Oman for GCC distribution.
3. Offer paid third party testing for regional OEMs.

Stakeholders: Transport ministries, standard bodies, testing labs.

Timeline: Medium (1 - 2 years to align frameworks).
KPIs: Time to market for certified vehicles, tests conducted annually.

Benefits & Impact: Lowers market entry friction, improves vehicle safety, accelerates exports.

16. Skills Passport & Labour Mobility Framework for Automotive Workforce

What it is: Bilateral skills passport to recognise automotive technician qualifications and ease short term mobility.

How it will work:

1. Create standardised competency frameworks; reciprocal recognition.
2. Facilitate visa categories for skilled automotive workers.
3. Integrate into academy curricula and apprenticeships.

Stakeholders: Ministries of labour, training institutes, employers.

Timeline: Quick to Medium (6 - 18 months).
KPIs: Number of recognized passports, placements of technicians in Oman.

Benefits & Impact: Fills short - term skill gaps, supports knowledge transfer, formalises workforce mobility.

17. Re - export & Africa Gateway Strategy (Distribution to East Africa)

What it is: Use Oman as distribution hub to Africa - Kenya, Tanzania, Ethiopia reducing cost and transit time.

How it will work:

1. Create AFRICA lane consolidations at Sohar with scheduled feeder services.
2. Simplify export documentation for African markets.
3. Provide bundled warranties and service packages tailored to African climatic needs.

Stakeholders: Export promotion councils, shipping lines, African importers.

Timeline: Quick (pilot lanes in 6 - 12 months).
KPIs: Transit time to key African ports, volumes exported, share of Indian vehicles via Oman.

Benefits & Impact: Captures new markets, increases volumes, positions Oman as strategic trade hub.

18. Automotive Cybersecurity & Telematics Centre (Muscat)

What it is: Centre of excellence for vehicle cybersecurity, OTA (over the air) update testbeds and telematics analytics.

How it will work:

1. Establish labs with Indian IT firms to certify telematics and cybersecurity standards.
2. Offer managed telematics services to fleet operators.

Stakeholders: TCS, Infosys, Tech Mahindra, Oman IT Authority, OEMs.

Timeline: Medium (1 - 2 years).
KPIs: Number of certifications, security incidents reduced, fleet efficiency gains.

Benefits & Impact: Strengthens vehicle safety, boosts digital exports, creates high value IT jobs.

19. Green Incentives & Carbon Credit Mechanism for Joint Projects

What it is: Create a bilateral framework for carbon credits and green incentives linked to EV adoption, electrified fleets and recycling operations.

How it will work:

1. Define measurement, reporting and verification (MRV) standards.
2. Offer tax credits or preferential financing for projects that reduce emissions.
3. Monetise reductions via international carbon markets where applicable.

Stakeholders: Environment ministries, finance ministries, project developers.

Timeline: Medium (12 - 24 months).
KPIs: Tonnes CO_2 reduced, funds channelled via incentives, private investment mobilised.

Benefits & Impact: De - risk green investments, accelerate sustainability goals, attract ESG capital.

20. India - Oman Automotive Trade & Policy Dialogue (Permanent Working Group)

What it is: A permanent intergovernmental and industry working group to coordinate policies, remove barriers, identify pilots and track implementation.

How it will work:

1. Quarterly meetings, rotating secretariat.
2. Sub - groups: manufacturing, EVs, components, trade facilitation, standards, finance.
3. Annual ministerial review and trackable action plan.

Stakeholders: Ministries of Commerce, Transport, Industry; OIA; Indian Embassy; industry associations.

Timeline: Immediate (establish within 3 - 6 months).
KPIs: Number of agreed actions implemented, resolution time for trade issues, new MoUs signed.

Benefits & Impact: Provides governance, ensures accountability, enables faster problem solving and continuity.

21. Automotive Blockchain & Traceability Platform (India - Oman)

What it is - A secure, blockchain-based platform to track vehicle parts, certificates of origin, warranty records, and cross - border provenance for vehicles and components moving through Oman.

How it will work (implementation)

1. Pilot with a select set of parts (airbags, airbags sensors, batteries) and a small OEM + supplier network.
2. Develop immutable digital IDs for parts; register manufacturing, QC, shipping and installation events on the ledger.
3. Integrate customs, warranty providers and dealers to validate provenance during import/export or warranty claims.
4. Gradually expand to include vehicle VIN history, CPO certification, and service logs.

Key stakeholders - Indian tier 1 suppliers, Oman customs & port authorities, ASYAD, vehicle manufacturers, banks (for trade finance), IT integrators.

Timeline
Pilot: 6 - 9 months; expansion to production scale: 18 - 30 months.

Benefits & Impact

Improves supply chain transparency, reduces counterfeit and grey market parts, speeds customs clearance through pre verified provenance, and increases buyer confidence for re exported

vehicles. It also lays the foundation for trusted certified pre owned markets and easier cross - border regulatory compliance.

22. Green Hydrogen for Heavy Mobility Pilot

What it is - A joint pilot to produce green hydrogen in Oman (solar/wind electrolysis) and test hydrogen fuel cell trucks or buses sourced from Indian technology partners.

How it will work (implementation)

1. Feasibility & site selection for an electrolyser close to a solar farm/SEZ.
2. Partner with Indian and global fuel cell integrators to retrofit a small fleet of heavy trucks or buses.
3. Establish hydrogen dispensing and safety protocols; run demonstration routes for logistics & port shuttles.
4. Monitor TCO, refuelling times and lifecycle emissions.

Key stakeholders - Renewable energy firms, Omani energy authorities, Indian fuel cell companies, logistics operators, environmental regulators.

Timeline

Feasibility & pilot design: 12 months; pilot operations: 24 - 36 months.

Benefits & Impact

Demonstrates long-haul decarbonisation in hot climates, attracts climate finance, and positions Oman as a hydrogen hub. For India, it opens pathways for fuel - cell tech exports and testing in extreme ambient conditions.

23. Sharia - Compliant (Islamic Finance) Vehicle Leasing & Takaful Platform

What it is - A Sharia compliant vehicle financing and insurance (takaful) product for retail and fleet customers, jointly designed by Indian fintech & Omani Islamic banks.

How it will work (implementation)

1. Design lease and sukuk backed financing instruments meeting Sharia principles.

2. Partner with takaful providers to bundle islamic insurance.
3. Offer for personal EV subscriptions, fleet leasing and tourism rentals.
4. Integrate digital onboarding and asset tracking for risk management.

Key stakeholders

Omani Islamic banks, Indian NBFCs & fintechs, takaful companies, OEMs & dealerships.

Timeline

Product design & regulatory vetting: 6 - 12 months; roll-out: 12 - 24 months.

Benefits & Impact - Expands access to finance for GCC customers who prefer Sharia-compliant products, accelerates vehicle uptake (especially EV fleets), and creates new cross-border financial flows between Indian fintechs and Omani banks.

24. Women in Automotive Initiative (Training, Entrepreneurship & Supplier Inclusion)

What it is

A programme to increase women's participation across the automotive value chain as technicians, workshop owners, logistics managers and parts entrepreneurs.

How it will work (implementation)

1. Targeted scholarships & training seats in Indo - Oman skill academies for women.
2. Seed grants and incubation for women - led SMEs in spare parts distribution and vehicle services.
3. Gender inclusive procurement targets in SEZ tenders and MRO contracts.

Key stakeholders

Skill India initiatives, Oman Ministry of Labour, industry associations, NGOs, chambers of commerce.

Timeline

Launch pilot cohorts: 6 - 12 months; expand national programmes: 2 - 4 years.

KPIs

Number of women certified, number of women owned auto SMEs, placement rate, wage parity metrics.

Benefits & Impact - Builds inclusive growth, widens the talent pool, fosters entrepreneurship, and improves social outcomes while addressing technician shortages in a culturally sensitive manner.

25. Urban Shared Mobility Platform & Policy Framework

What it is - A joint public - private framework to operate cross border compatible car /bike sharing and micro mobility services in Omani cities, leveraging Indian shared mobility tech.

How it will work (implementation)

1. Policy alignment for parking, curb access and data sharing.
2. Pilot operations with Indian mobility providers for bike/scooter sharing and car pooling in Muscat and Salalah.
3. Smart integration with city transport apps and payment systems.

Key stakeholders

Municipalities, mobility providers (India), transport ministries, telecom operators.

Timeline

Policy design: 6 months; pilot operations: 9 - 12 months.

KPIs

Trips per vehicle per day, modal shift (%) from private car use, reduction in urban congestion and emissions.

Benefits & Impact

Improves urban efficiency, supports last mile connectivity, reduces parking demand, and creates modern mobility jobs; also serves as a commercial launchpad for Indian shared mobility firms in GCC.

26. Cross Border Single Window Customs & Vehicle Clearance

What it is

A harmonised electronic single window between India and Oman for vehicle & parts clearance that integrates manifest, safety certificates, and payment for duties.

How it will work (implementation)

1. Technical integration of customs IT systems and mutual recognition of digital certificates.
2. Pre - arrival clearance for vehicle shipments enabling drive away on arrival.
3. Fast lanes for CKD/SKD and certified pre owned consignments.

Key stakeholders

Customs authorities (India & Oman), port operators, shipping lines, trade ministries.

Timeline

Technical & legal work: 12 - 18 months; phased go live.

Benefits & Impact

Greatly reduces logistics friction and cost, shortens lead times for OEMs and dealers, and improves competitiveness versus alternative routes.

27. Vehicle Recall & Safety Monitoring Mechanism (Bilateral Alert System)

What it is

A joint notification and rapid response system for vehicle safety recalls and parts safety alerts across India oman markets.

How it will work (implementation)

1. Shared registry of VINs and regional dealer networks.
2. Automatic alerts to dealers and vehicle owners via SMS and app when recalls are issued.
3. Joint public awareness campaigns and centralised parts provisioning.

Key stakeholders

Automotive regulatory bodies, dealers, OEMs, consumer protection agencies.

Timeline

Design & tech implementation: 6 - 12 months.

Benefits & Impact

Improves road safety, consumer trust, and brand reputation for OEMs; enables faster remediation costs and avoids protracted liability exposure.

28. Cross Border Vehicle Subscription & Tourist Mobility Product

What it is

A short term cross border vehicle subscription tailored for tourists and business visitors allowing seamless usage in both India and Oman (for multi destination travellers).

How it will work (implementation)

1. Build interoperable insurance, licensing and liability frameworks for short-term cross-border driving.
2. Offer in-app vehicle delivery/pickup; include EV swap/subscription options.
3. Collaborate with airlines & travel agents for bundled offers.

Key stakeholders

Tourism boards, insurance firms, vehicle subscription companies, immigration & transport authorities.

Timeline

Regulatory frameworks: 12 months; product pilots: 18 months.

Benefits & Impact

Enhances tourist convenience, stimulates higher per capita tourist spending, and opens a new revenue stream for mobility operators.

29. Indigenous Localization Incentive Scheme for Tier - 2 Suppliers

What it is

A targeted incentive program to encourage Indian Tier - 2/Tier - 3 suppliers to localise manufacturing or light - assembly in Oman (fasteners, wiring harnesses, plastics, rubber components).

How it will work (implementation)

1. Offer capital subsidies, land at SEZ rates, and preferential tariffs for localised content.
2. Technical assistance and incubation from Indian clusters.
3. Local supplier meetups and procurement fairs with GCC OEMs.

Key stakeholders

ACMA, Omani industrial parks, SEZ authorities, finance ministries.

Timeline

Scheme design: 6 months; initial onboarding: 12 - 24 months.

Benefits & Impact

Creates upstream manufacturing jobs in Oman, reduces import dependencies, shortens lead times for OEMs, and develops an integrated India - Oman supplier ecosystem.

30. Regional Training & Certification Centre for Autonomous Trucking & Platooning

What it is

A specialised centre to train engineers and operators in autonomous trucking operations, platooning systems and remote fleet orchestration suited to long desert haul routes.

How it will work (implementation)

1. Curriculum co - developed by Indian AV firms and Omani logistics companies.
2. Simulator labs, live - route testing in Duqm industrial corridor, and certification for operators/technicians.
3. Tie up with logistics companies for pilot platooning runs.

Key stakeholders

Logistics firms, Indian AV startups, Ministry of Transport (Oman), training institutes.

Timeline

Pilot training & test runs: 12 - 24 months; certification program: 24 - 48 months.

Benefits & Impact

Enables safer, more efficient heavy logistics across long desert routes, reduces fuel consumption, and creates high skilled technical jobs and service offerings exportable across the region.

4. PROJECTED BENEFITS

For Oman

For Oman, the India - Oman automotive collaboration directly supports the national priorities of **Vision 2040**, helping the country shift from oil dependency toward a diversified, innovation - driven industrial economy. By partnering with India's globally competitive automotive sector, Oman can establish **local assembly lines, EV manufacturing clusters, auto - component units, spare - parts hubs, and testing centres**, transforming the Sultanate into a regional automotive gateway for the **GCC, East Africa, and Red Sea markets**. These initiatives will create substantial employment for Omani youth in areas such as EV maintenance, battery servicing, digital mobility, logistics, after sales operations, and autonomous vehicle trials. Joint R&D facilities focusing on heat-resistant EV batteries, desert proof vehicle systems, sustainable mobility, and hydrogen transport will build Oman's **technological self reliance**, reducing dependence on imported automotive expertise. Large scale EV charging deployments, smart mobility corridors, and autonomous vehicle pilots will modernize Oman's transport infrastructure and support cleaner, more efficient mobility solutions. Motorsport parks, pre - owned vehicle refurbishment hubs, and micro-mobility assembly lines will generate **new tourism revenues, SME opportunities, and manufacturing activity**. Moreover, using Oman's strategic ports - Duqm, Sohar, Salalah as re - export and distribution hubs will significantly enhance non - oil revenue and strengthen the country's global logistics profile. Overall, Oman gains **economic diversification, industrial capability, FDI inflows, job**

creation, export earnings, and global visibility as a rising automotive technology hub in the Gulf.

For India

For India, the partnership provides access to a fast growing, high value automotive market in the Gulf with **low entry barriers** and strong long term potential. Oman's strategic location allows Indian automakers and component manufacturers to use the Sultanate as a **launchpad for entry into the entire GCC, Africa, Levant, and European maritime corridors**, reducing logistics time, shipping costs, and dependency on traditional re - export hubs. Indian companies benefit from new demand for **EVs, SUVs, two - wheelers, commercial vehicles, auto components, EV chargers, automotive software, hydrogen mobility systems, and testing technologies**. Joint manufacturing and assembly plants in Oman will expand India's global manufacturing footprint while strengthening its export capacity and brand presence. India also gains **FDI opportunities, joint ventures, and access to large industrial zones and tax incentives** through Oman's free zones and special economic zones. Collaboration on desert - specific automotive R&D gives India valuable technological advancements in battery durability, thermal management, filtration systems, and autonomous navigation that can be applied domestically and exported worldwide. The partnership creates jobs for Indian engineers, technicians, IT specialists, supply chain professionals, animators, and automotive designers, while boosting India's service exports in **training, software development, telematics, logistics, motorsport management, and digital mobility solutions**. Strategically, this collaboration strengthens India's influence in the Gulf, expands economic diplomacy, and integrates India into the region's automotive and transport modernization agenda. Overall, India gains improved market access, higher exports, global brand expansion, deeper technological collaboration, and strong geopolitical ties with a key West Asian partner.

5. CONCLUSION

India and Oman stand at the threshold of a new economic partnership where two high value sectors automobiles and gems & jewellery can be strategically integrated to create a transformative bilateral growth model. India brings world class capabilities in automobile manufacturing, EV innovation, precision engineering, jewellery design, and gemstone

craftsmanship. Oman contributes unmatched geographic advantage, strong logistics infrastructure, investor friendly policies, and access to high spending GCC and African markets. By aligning these complementary strengths, the India - Oman corridor can evolve into a **combined mobility and luxury hub** that drives industrialization, tourism, global branding, and re - export competitiveness.

This combined ecosystem enables Oman to diversify its economy beyond oil, create skilled employment, build advanced manufacturing, and position itself as the GCC's destination for EV assembly, automotive R&D, luxury retail, gemstone trade, and premium consumer experiences. For India, the partnership unlocks deeper market access, faster regional distribution, expanded exports, co - branded global products, and new avenues for its automotive and jewellery MSMEs. The synergy between automobiles and luxury goods offers unique possibilities from premium car customisation studios with gemstone inlays to luxury EV showrooms, motorsport jewellery tourism events, automotive themed jewellery lines, and dual sector retail clusters within Omani free zones.

Most importantly, this partnership strengthens cultural and economic ties, positions the Indian Ocean as a new axis of future ready industry, and creates a shared narrative of innovation rooted in heritage. With strategic planning and investment, India and Oman can co - create a globally competitive value chain where mobility, technology, craftsmanship, and luxury converge establishing both nations as forward looking leaders in the next era of trade, design, and industrial cooperation.