


Indian expats worried as West Asian conflict shatters Gulf's safe haven image

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In 2016, Pranav Doshi, then an executive with the Canadian consulate, decided to move 2,000 kilometres away from their home in Mumbai. Doshi's wife was given an option to choose between Unilever Plc's London and Dubai offices, and she picked the largest city in the United Arab Emirates. "We selected Dubai because we had a young child, and wanted family support; that was not possible in London," said Doshi, 47. "Our parents could come and go, childcare was better in Dubai, and there was never any identity crisis."

As Doshi spoke over the phone on Monday, everything appeared calm. But just the day before, five Iranian drones had dropped near his home. Doshi's wife is now a marketing consultant, and he works as a director for Advanced Business Event, which organises global aerospace and defence conferences and summits. "If I were to be given a choice between London and Dubai today, I would take some time to think it over," Doshi said. "Brand Dubai has definitely taken a hit. This was a safe haven where all wanted to invest, but now that sentiment, along with property prices, will be impacted."

A destination attracting top CEOs and migrant workers, offering the chance to earn a higher income and a better lifestyle, the Gulf Cooperation Council's (GCC) image as a provider of a safe and stable business environment has come under attack. Iran's retaliation to the joint strikes by the US and Israel has engulfed most of the region, including the UAE, Bahrain, Kuwait, Oman, Qatar, and Saudi Arabia.

More than 9 million Indians work in [West Asia](#), and for the first time, Indian companies with employees in the region have to plan for their safety. Domestic firms, including Tata Consultancy Services Ltd, KEC International Ltd, Larsen and Toubro Ltd, Afcons Infrastructure Ltd, and Adani Ports & SEZ Ltd, have been monitoring the situation, *Mint* reported on Monday.

Dubai, in particular, has attracted expats with its real estate, with sales and residential prices surging amid strong global investor demand. In 2025, the UAE led with a net gain of 9,800 millionaires, reinforcing the appeal of low taxes, luxurious living, and economic openness.

But top developers in Dubai and Ras Al Khaimah (RAK) now fear near-term impacts across property sales and transactions, investments, and construction as the West Asian conflict spiralled, *Mint* reported on Monday.

"The way all of these countries have built their brands—with initiatives such as Qatar hosting the World Cup—has made everybody feel across the world that these places are like paradise in the Middle East," Prashanth Challapalli, an advertising and marketing veteran, told *Mint*. "Taxes there are very low, the lifestyle is fantastic, and these places have become a centre of the world because you can go to any major city very quickly. Just look at the number of millionaires from India who are settling in Dubai and Singapore; it is in the thousands."

Celebrity destination

Cities like Dubai and Abu Dhabi have been aggressively marketing themselves to wealthy Indians. In 2022, Dubai launched an ad campaign highlighting the city's delights and futuristic amenities, starring Bollywood superstar Shah Rukh Khan. Last year, Dubai's tourism authority launched a series of ads starring the cricketer-actor couple Virat Kohli and Anushka Sharma showcasing experiences in the city, including parasailing and bonfires by the beach.

Similarly, Abu Dhabi's tourism authority has also been running ad campaigns starring the actor couple Ranveer Singh and Deepika Padukone. Last year, they starred in a series of ad films showcasing the city's historical and natural beauty.

"Virat-Anushka appeal to the Indian diaspora, while Ranveer-Deepika have never really crossed over to the West," Challapalli said, adding that both couples represent a form of self-made success that is popular among the milieu that these Gulf cities are targeting for tourism and business.

To be sure, the UAE is India's second-largest source of remittances, accounting for a 19.2% share as of FY24, having slipped from the top slot it held until FY17 with 22.9%. The US ranks first in FY24, accounting for 27.7% of inward flows. Saudi Arabia and Kuwait rank lower.

More than 3.5 million Indians live in the UAE alone, accounting for the country's second-largest diaspora, according to data from the ministry of external affairs. These include Indian-origin and non-resident Indians.

Over 2.4 million Indian expats live in Saudi Arabia, nearly 1 million in Kuwait, about 830,000 in Qatar, and over 300,000 in Bahrain. Just under 700,000 Indians live in Oman, which has so far remained unaffected by the ongoing conflict.

Sentiment shaken

Yet, Monideepa Dasgupta, who first went to Oman's capital of Muscat in 1993 just after her wedding, is still concerned.

It was her first trip abroad, and she was taken in by the city's cleanliness, Dasgupta said over the phone. "I saw the malls come up, had my son there, and spent 30 years till I returned to India," said the 67-year-old. Will she still choose to live in Oman?

"Probably not, because I am seeing the places I knew get attacked," she said

According to Challapalli, this war has brought home that no place on earth is safe anymore. "What is shocking is the way Iran is attacking these cities. I do believe, eventually, stability will return and people will go back to the Middle East."

The [UAE](#) and other Gulf countries have been helping stranded tourists and extending protection and advisories to immigrants in their territory.

Taking care of stranded travellers and ensuring they have a safe space to take shelter is standard protocol for countries in such unprecedented times, said Challapalli. "What they [Gulf countries] do after this war is over will determine who recovers fast enough. I think it is very important for the region to come back to a peaceful resolution."

Tax arbitrage is still lucrative

Lawyers tracking employment are more optimistic.

"From what we are hearing from clients, the Gulf, especially the UAE, is no longer seen only as a blue-collar destination; it is increasingly appealing to white collar talent and entrepreneurs," said Parvathy Tharamel, partner at law firm Trilegal, who handles labour and employment practice. "While localisation measures are a factor for expatriates to watch, the Gulf remains an attractive, though evolving, talent destination".

The UAE has seen a surge in immigration from richer, well-educated people, especially under its golden visa programme, which offers long-term residency. According to the latest available government data, Dubai issued more than 1,52,000 such visas between 2019 and 2022.

Event-driven risks, such as the US-led war on Iran, should not be a decision-making factor for clients and investors worldwide when deciding on relocation, tax arbitrage, and other benefits, said Dilshad Billimoria, a registered investment advisor and managing director of Dilzer Consultants. "These are event-driven risks, and they will cool off over a period of time. However, the benefits of taxation, golden visa, and residency will continue to attract investors to such destinations."

This year, the UAE introduced several changes to its corporate tax regime, tightening compliance requirements. However, lawyers say this is unlikely to dent its image as a business-friendly destination.

"The serious guys who are invested there are not going to move, because a 9% tax rate is still better than the 25% in India, or for that matter in 19% in the UK," said Harshal Bhuta, partner at P.R. Bhuta & Co. Chartered Accountants.

However, the war has shaken the Indian community in the region. Some individuals who have settled in the region for decades have been asking how to repatriate their assets to India and leave the region quickly, said Bhuta.