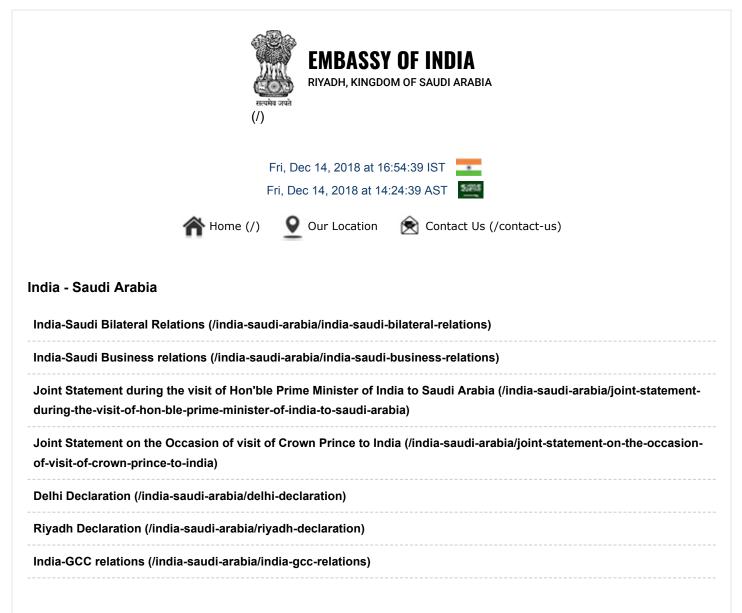
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### India-Saudi Bilateral Relations

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#### India – Saudi Arabia Bilateral Relations

India and Saudi Arabia enjoy cordial and friendly relations reflecting the centuries old economic and socio-cultural ties. The establishment of diplomatic relations in 1947 was followed by high-level visits from both sides.

King Saud visited India in 1955 and the Prime Minister Jawaharlal Nehru visited the Kingdom in 1956. The visit of the Prime Minister Indira Gandhi to Saudi Arabia in 1982 further boosted the bilateral relations. In the recent times, the historic visit of King Abdullah to India in 2006 resulted in signing of 'Delhi Declaration' imparting a fresh momentum to the bilateral relationship. The visit provided the framework for cooperation in all fields of mutual interest. The reciprocal visit by Prime Minister Dr. Manmohan Singh to Saudi Arabia in 2010 raised the level of bilateral engagement to 'Strategic Partnership' and the 'Riyadh Declaration' signed during the visit captured the spirit of enhanced cooperation in political, economic, security and

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defence realms. The visit of the then Crown Prince, His Royal Highness Prince Salman bin Abdulaziz Al-Saud, Deputy Prime Minister and Minister of Defence of the Kingdom of Saudi Arabia (now King) to India in 2014 has further deepened the relations between our two countries.

The visit of Prime Minister Narendra Modi to Riyadh from April 2-3, 2016 could be seen as a turning point in our growing engagement with the Kingdom of Saudi Arabia, which has taken an upward strategic direction. The official engagements of the Hon'ble Prime Minister included the meetings with King Salman, (the then) Crown Prince Mohammed bin Naif, (the then) Deputy Crown Prince Mohammad bin Salman {now Crown Prince, Deputy Premier and Minister of Defence}, Foreign Minister Adel Al Jubeir, Health Minister and Chairman of the Executive Board of Saudi Aramco Khalid Al Falih {now Minister of Energy, Industry and Mineral Resources}, and interaction with top Saudi business leaders at the Council of Saudi Chambers. In a special gesture, King Salman honoured Hon'ble Prime Minister Narendra Modi with the 'Sash of King Abdulaziz', the highest civilian decoration awarded by the Kingdom. A Joint Statement highlighting the various aspects of our relations was also issued at the conclusion of the visit.

On the side lines of the G-20 Hangzhou Summit in September 2016, Prime Minister held bilateral meeting with the Deputy Crown Prince Mohammad bin Salman during which the two leaders discussed ways of further strengthening and diversifying bilateral engagements.

Saudi Foreign Minister Adel al Jubeir held a bilateral meeting with MoS (EA) M. J. Akbar on the side lines of G-20 Foreign Ministers at Bonn on February 17, 2017.

### **Bilateral Visits:**

#### See Annexure I

#### Joint Statements/Bilateral Agreements/MoUs:

#### The bilateral Agreements and MoUs signed are as follows:

### Joint Statements:

- 1. Signing of 'Delhi Declaration' in 2006 during the visit of King Abdullah; it laid the roadmap for bilateral cooperation;
- 2. Signing of 'Riyadh Declaration' in 2010 during Prime Minister Dr. Manmohan Singh's visit to Riyadh. It raised the level of interaction to 'Strategic Partnership' in the political, economy, security and defence realms;
- 3. Joint Statement during the visit of His Royal Highness Crown Prince Salman bin Abdulaziz Al-Saud, Deputy Prime Minister and Minister of Defence of the Kingdom of Saudi Arabia to India in February 2014;
- 4. Joint Statement during the visit of the Hon'ble Prime Minister of India to the Kingdom of Saudi Arabia in April 2016.

### Agreements/MoUs:

- 1. MoU for Foreign Office Consultations;
- 2. MoU on the Establishment of Joint Business Council between Council of Saudi Chambers of Commerce and Industry (CSCCI) and Federation of Indian Chambers of Commerce & Industry (FICCI);
- 3. Bilateral Promotion and Protection of Investments (BIPA);
- 4. Agreement on Avoidance of Double Taxation and Prevention of Tax Evasion (DTAA);
- 5. MoU on Combating Crime;
- 6. Agreement in the field of Youth and Sports;
- 7. MoU of Scientific and Educational Co-operation between the Ministry of HRD, India and Ministry of Higher Education, KSA;
- 8. Extradition Treaty;
- 9. Agreement on Transfer of Sentenced Persons;
- 10. MoU for Cooperation in Peaceful Use of Outer Space;
- 11. Agreement on Scientific and Technological Cooperation;

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- 12. MoU between Centre for Development of Advance Computing (C-DAC) and King Abdulaziz City for Science & Technology (KACST) on cooperation in Information Technology and Services;
- 13. Agreement on News Cooperation between Saudi Press Agency (SPA) and Press Trust of India (PTI);
- 14. MoU on Cultural Cooperation;
- 15. Agreement on Labour Cooperation for Domestic Service Workers Recruitment;
- 16. MoU on Defence Cooperation;
- 17. Agreement on Labour Co-operation for Recruitment of General Category Workers;
- 18. Technical Cooperation Program between the Bureau of Indian Standards (BIS) and the Saudi Standards, Metrology and Quality Organization (SASO);
- 19. Cooperation Programme between the Indian Council of World Affairs (ICWA), India and Prince Saud Al Faisal Institutes of Diplomatic Studies (PSAIDS), Saudi Arabia;
- 20. Executive Program for Cooperation in the Field of Handicrafts between the Export Promotion Council for Handicraft (EPCH) in the Republic of India and Saudi Commission for Tourism and National Heritage;
- 21. MoU between Financial Intelligence Unit India and the Financial Intelligence Unit-Saudi Arabia concerning Cooperation in the Exchange of Intelligence related to Money Laundering, Terrorism Financing and Related Crimes;
- 22. Framework for Investment Promotion Cooperation between Invest India and the Saudi Arabian General Investment Authority (SAGIA);

**Economic & Commercial Relations**: Saudi Arabia today is our 4<sup>th</sup> largest trade partner (after China, USA and UAE) and is a major source of energy as we import around 19% of our crude oil requirement from the Kingdom. The value of India Saudi Arabia bilateral trade during 2016-17 decreased to USD 25.079 billion, a slight decrease from USD 26.71 billion in 2015-16, as per figures provided by the Directorate General of Foreign Trade. The decline can be attributed mainly to low petroleum and commodity prices and lower global demand. During this period, our imports from Saudi Arabia reached USD 19.94 billion, registering a decline of 1.85% over previous year (USD 20.32 billion) whereas our exports to Saudi Arabia reached USD 5.13 billion registering a decline of 19.70% over previous year (USD 6.39 billion). The current bilateral trade (April-May 2017) is valued USD 4.063 billion.

Saudi Arabia is the 8<sup>th</sup> largest market in the world for Indian exports and is destination to more than 1.86% (2016-17) of India's global exports. On the other hand, Saudi Arabia is the source of 5.19% (2016-17) of India's global imports. For Saudi Arabia, as per 2016 data, India is the 4th largest market for its exports, accounting for 9.3 % of its global exports. In terms of imports by Saudi Arabia, India ranks 7th and is source of around 3.7 % of Saudi Arabia's total imports.

The import of crude oil by India forms a major component of bilateral trade with Saudi Arabia being India's one of the largest suppliers of crude oil, accounting for almost one-fifth of its needs. MoS (IC) for Petroleum and Natural Gas Shri Dharmendra Pradhan visited Kingdom from October 27-29, 2014 and held 2<sup>nd</sup> bilateral energy consultations with HRH Prince Abdulaziz bin Salman bin Abdulaziz, Deputy Minister of Petroleum & Mineral Resources, Kingdom of Saudi Arabia. MoS (IC) also held a bilateral meeting with Saudi Petroleum and Mineral Resource Minister Eng. Ali bin Ibrahim Al-Naimi and matters of mutual cooperation were discussed. He was accompanied by the Chairmen of IOC, HPCL & GAIL.

As a follow up of Hon'ble Prime Minister's visit to the Kingdom, Shri Dharmendra Pradhan again visited Kingdom from April 13-14, 2016, and held bilateral meetings with the Saudi Minister of Health & Chairman of Aramco H.E. Mr. Khalid Al Falih, now Minister of Energy, Industry and Mineral Resources. He also met with the Vice Minister for Petroleum HRH Prince Abdulaziz bin Salman

### India-Saudi Trade (in million USD)

Year ( Apr Marc	ril —	Imports from Saudi Arabia	Exports to Saudi Arabia	Total trade			% increase in Indian exports
2010	-2011	20,385.28	4,684.40	25,069.68	19.35	19.23	19.90

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2011-2012	31,817.70	5,683.29	37,500.99	45.59	56.08	21.32
2012-2013	33,998.11	9,785.84	43,783.95	16.75	6.85	72.18
2013-2014	36,403.65	12,218.96	48,622.61	11.05	7.08	24.86
2014-2015	28,107.56	11,161.43	39,268.99	-19.24	-22.79	-8.65
2015-2016	20,321.33	6,394.23	26,715.56	-31.97	-27.70	-42.71
2016-2017	19,945.17	5,134.13	25,079	-6.12	-1.85	-19.70

Source: Department of Commerce, GOI. (www.dgft.gov.in (http://www.dgft.gov.in/))

**Investments:** According to Saudi Arabian General Investment Authority (SAGIA), it has issued 426 licenses to Indian companies for joint ventures/100% owned entities till April 2015, which are expected to bring total investment of USD 1.6 billion in Saudi Arabia. Actual investment figures as on date are not available. These licenses are for projects in diverse sectors such as management and consultancy services, construction projects, telecommunications, information technology, pharmaceuticals, etc. Several Indian companies have established collaborations with Saudi companies and are working in the Kingdom in the areas of designing, consultancy, financial services and software development. On the other hand, as per available data, Saudi Arabia is the 48<sup>th</sup> biggest investor in India with investments from April 2000 to March 2016 amounting to USD 64.19 million. In addition, Saudi Petrochemical joint SABIC had set up its R&D Centre in Bangalore with an investment of over USD 100 million in November 2013.

**Cultural ties:** A cultural troupe from ICCR comprising of a Shehnai and a Qawwali group, performed in Jeddah and Riyadh from 25-29 January 2012, coinciding with the Republic Day celebrations. A 45-member Saudi youth delegation visited India on 10-day tour from March 22, 2012, to strengthen the cooperation in the information and communications technology (ICT) sector and to step-up efforts to promote understanding and friendship among the youth of the two countries. A 54-member cultural delegation visited the Kingdom to participate in the 'Indian Cultural Week', organized in Riyadh in collaboration with the Saudi Ministry of Culture from November 3-7, 2012. The then Secretary Tourism, Government of India, led a high-level delegation consisting of State Tourism officers and private tour operators to the Kingdom to participate in 'Road Shows' in Jeddah, Riyadh and Dammam on 19th, 21st and 22<sup>nd</sup> May, 2013, respectively. In January-February 2017, an ICCR sponsored 5-member Qawwali troupe performed in Riyadh, Dammam, Jubail and Jeddah.

**Indian Community in Saudi Arabia:** The 3.2 million strong Indian community in Saudi Arabia is the largest expatriate community in the Kingdom and is the 'most preferred community' due to their expertise, sense of discipline, law abiding and peace loving nature. The contribution made by Indian community to the development of Saudi Arabia is well acknowledged. In April 2013, His Majesty King Abdullah announced a grace period allowing overstaying expatriates to correct the status, get new jobs or leave the country without facing penal action till the end of the grace period i.e. November 3, 2013. More than 1.4 lakh Indians availed the amnesty and returned back to home without facing penalty. Again, Saudi authorities announced four months (April – July 2017) amnesty during which around 30,000 undocumented Indians were issued travel documents to return back to India. The Haj pilgrimage is another important component of bilateral relations. During Haj 2017, around 170,000 Indians are expected to visit the Kingdom to perform *Haj*. A large number of Indians also visit the Kingdom to perform Umrah every year.

#### Useful Resources

 Website of the Mission:
 www.indianembassy.org.sa (http://www.indianembassy.org.sa/)

 Mission's Facebook Page:
 https://www.facebook.com/IndiaInSaudiArabia (https://www.facebook.com/IndiaInSaudiArabia)

Mission's Twitter: twitter.com/IndianEmbRiyadh

# **Contact Information**

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# **Working Hours**

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## **Important Mail Ids**

Passport related issues: cons.riyadh@mea.gov.in (mailto:cons.riyadh@mea.gov.in)

Visa/OCI/PIO related issues: visa.riyadh@mea.gov.in (mailto:visa@indianembassy.org.sa)

Community Welfare issues: cw.riyadh@mea.gov.in (mailto:cw.riyadh@mea.gov.in); (mailto:cw.riyadh@mea.gov.in;) hm.riyadh@mea.gov.in (mailto:hm.riyadh@mea.gov.in); (mailto:housemaid.riyadh@mea.gov.in;)

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