

## **INDIA-SAUDI 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 defence realms. In February 2014, 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 (now King), a Joint Statement was issued. In November 2015, on the sidelines of G20 meeting in Antalya, Turkey, Prime Minister Mr. Narendra Modi met with the Custodian of the Two Holy Mosques, King Salman Bin Abdulaziz Al Saud and discussed areas of bilateral interest.

### **Bilateral Visits:**

*See Annexure I*

### **Bilateral Agreements/MoUs:**

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

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. MoU for Foreign Office Consultations;
4. 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);
5. Bilateral Promotion and Protection of Investments (BIPA);
6. Agreement on Avoidance of Double Taxation and Prevention of Tax Evasion (DTAA);
7. MoU on Combating Crime;
8. Agreement in the field of Youth and Sports;
9. MoU of Scientific and Educational Co-operation between the Ministry of HRD, India and Ministry of Higher Education, KSA;
10. Extradition Treaty;
11. Agreement on Transfer of Sentenced Persons;
12. MoU for Cooperation in Peaceful Use of Outer Space;
13. Agreement on Scientific and Technological Cooperation;
14. 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;
15. Agreement on News Cooperation between Saudi Press Agency (SPA) and Press Trust of India (PTI);
16. MoU on Cultural Cooperation;
17. Agreement on Labour Cooperation for Domestic Service Workers Recruitment.
18. MoU on Defence Cooperation.

19. Joint Statement issued in February 2014 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.

**Economic & Commercial Relations:** Saudi Arabia today is our 4th largest trade partner and is a major source of energy as we import around 19% of our crude oil requirement. During 2014-15, our bilateral trade reached USD 39.3 billion registering a decrease of 19.24% compared to 2013-14 (USD 48.62 billion) due to sharp decline in oil prices since June 2014. During this period, our imports from Saudi Arabia reached USD 28.1 billion, registering a decline of 22.79% over previous year whereas our exports to Saudi Arabia reached USD 11.2 billion registering a decline of 8.65% over previous year. Saudi Arabia is the 5<sup>th</sup> largest market in the world for Indian exports and is destination of 3.6% of India's global exports. On the other hand, Saudi Arabia is the source of 6.3% of India's global imports. For Saudi Arabia as per 2014 data, India is the 5<sup>th</sup> largest market for its exports, accounting for 8.87% of its global exports. In terms of imports by Saudi Arabia, India ranks 7<sup>th</sup> and is source of around 3.61% of Saudi Arabia's total imports. Review meeting for the 11<sup>th</sup> JCM was held in Riyadh on December 29, 2015.

The import of crude oil by India forms a major component of bilateral trade with Saudi Arabia being India's largest supplier 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 2nd 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.

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

Year (April – March)	Imports from Saudi Arabia	Exports to Saudi Arabia	Total trade	% increase in bilateral trade	% increase in Indian imports	% increase in Indian exports
2010-2011	20,385.28	4,684.40	25,069.68	19.35	19.23	19.90
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	12,218.95	48,622.60	11.05	7.08	24.86
2014-2015	28,107.56	11,161.43	39,268.99	-19.24	-22.79	-8.65

#### **Current Trend (April – November)**

Period (April – November)	2014-15	2013-14	% Increase
Imports	14,769.30	21,194.17	-30.31
Exports	4,571.31	8,461.83	-45.98
Total Trade	19,340.61	29,656.00	-34.78

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. Moreover, 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, Saudi Arabia is the 47<sup>th</sup> biggest investor in India with investments from April 2000 to September 2015 amounting to USD 58.83 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. Shri Parvez Dewan, 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.

**Indian Community in Saudi Arabia:** The 2.96 million plus 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 million (14 lakhs) Indians have availed the concessions during the grace period. The Haj pilgrimage is another important component of bilateral relations. During Haj 2015, around 136,000 Indians visited the Kingdom to perform *Haj*. Approximately 300,000 Indians 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>

**Mission's Twitter:** [twitter.com/IndianEmbRiyadh](https://twitter.com/IndianEmbRiyadh)

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**(January 1, 2016)**

**Recent Bilateral Visits****A. Visits from the Saudi side**

1. Visit of King Abdullah bin Abdulaziz to India (2006): The landmark visit of King Abdullah bin Abdulaziz to India in January 2006 as the Chief Guest of Republic Day celebrations opened a new chapter in the Indo-Saudi bilateral relations. King Abdullah referred to India as his 'second home' and signed the 'Delhi Declaration', first such bilateral document ever signed by a Saudi King which provided a comprehensive road map for the bilateral relations.
2. Saudi Foreign Minister Prince Saud Al Faisal visited India in February 2006 to follow up on King's visit and visited twice thereafter, in February 2008 and December 2008. The other ministerial visits from Saudi side during 2006-08 included that of Justice Minister, Minister for Higher Education, Minister of Health, Minister of Commerce & Industry and Petroleum Minister.
3. Prince Salman bin Abdulaziz Al Saud, the Governor of Riyadh, accompanied by a high-level delegation, paid an official visit to India in April 2010.
4. Grand Imam of the Holy Mosque of Makkah Sheikh Abdul Rahman Al-Sudais paid a five-day visit to India in March 2011. Sudais is the first ever Imam of Makkah to visit India.
5. Prince Bandar bin Sultan, Secretary General of National Security Council of Saudi Arabia visited India on March 28, 2011, as special envoy of the Saudi King and met Prime Minister Dr Manmohan Singh.
6. Dr. Tawfiq Al-Rabiah, Saudi Commerce & Industry Minister led a 76-member delegation to New Delhi from 4-6 January, 2012, for 9th Indo-Saudi Joint Commission Meeting.
7. Saudi Assistant Petroleum and Mineral Resources Minister Abdul Aziz bin Salman visited India and held meeting with Indian Petroleum and Natural Gas Minister S. Jaipal Reddy on February 24, 2012.
8. Saudi Parliamentary delegation led by Shoura Council Chairman Dr. Abdullah bin Mohammad bin Ibrahim Al-Sheikh visited India from May 7-10, 2012 and held meetings with Vice President, Prime Minister, Lok Sabha Speaker and EAM.
9. Saudi Labour Minister Adel Fakeih visited India from November 5-6, 2012, to attend a conference organised by World Bank titled 'Employment and Development' and met Minister of Overseas Indian Affairs Mr. Vayalar Ravi on the sidelines.
10. Saudi Deputy Minister of Labour for International Affairs Dr. Ahmad Bin Fahad Al Fuhaid visited India to participate in a two day meeting (May 30 – 31, 2013) of Joint Working Group on Labour issues between India and Saudi Arabia and on the sidelines met with Hon'ble Minister of Overseas Indian Affairs Shri Vayalar Ravi.
11. Saudi Deputy Minister for Laws and Regulation Affairs and Foreign Trade Dr. Fahad Abuhimed visited India for the Second Review Meeting of the 9<sup>th</sup> Joint Committee held in New Delhi from November 5-7, 2013.
12. Saudi Labour Minister Eng. Adel bin Mohammed Fakeih visited India from January 1 – 4, 2014 for signing of the Agreement on Labour Cooperation for Domestic Service Workers Recruitment and on the sidelines met with Vice President and External Affairs Minister.
13. His Royal Highness Crown Prince Salman Bin Abdulaziz Al-Saud, Deputy Prime Minister and Minister of Defence of the Kingdom of Saudi Arabia visited India from February 26 – 28, 2014 and met with President, Vice President and Prime Minister.
14. Saudi Commerce & Industry Minister Dr. Tawfiq Al Rabiah led the Saudi delegation to participate in the 4th India-Arab Partnership Conference held in New Delhi from November 26-27, 2014. While addressing the Conference, Dr. Tawfiq stated that "India

is one of the biggest trading partners of Saudi Arabia. Relations between India and the Arab world have a long history.” On the side-lines, Dr. Tawfiq also met with MoS (Independent Charge) for Commerce & Industry Mrs. Nirmala Sitharaman.

15. Saudi Commerce and Industry Minister Dr. Tawfiq Al Rabiah visited India for the 11<sup>th</sup> Joint Commission Meeting on May 29, 2015. On the sidelines, Dr. Rabiah also met separately with External Affairs Minister and Minister of Communications and Information Technology and discussed bilateral relations.

## **B. Visits from the Indian side**

1. Visit of the then Prime Minister Dr. Manmohan Singh to the Kingdom of Saudi Arabia (2010): Dr. Manmohan Singh, the then Prime Minister visited Saudi Arabia from February 27-March 1, 2010 and held discussions with King Abdullah, Saudi Foreign Minister Prince Saud Al Faisal, Commerce Minister Zainal Alireza and Petroleum and Mineral Resources Minister Ali Al Naimi. King Abdullah felicitated Dr. Manmohan Singh with the King Abdulaziz Sash of the First Order. Prime Minister addressed the Majlis Al Shura and Council of Saudi Chambers of Commerce and Industry during the visit. The King Saud University conferred Honorary Doctorate on the PM.
2. Petroleum & Natural Gas Minister S. Jaipal Reddy visited Riyadh to participate in the Extraordinary Ministerial Meeting of International Energy Forum (IEF) on February 22, 2011 and held discussions with his Saudi counterpart Ali Al Naimi.
3. The then External Affairs Minister S.M. Krishna accompanied by Mohsina Kidwai, Chairperson of the Haj Committee of India, visited Jeddah on March 26, 2011, to sign the Haj Agreement for the year 2011. Shri Krishna met Fouad bin Abdulsalam Al-Farsi, Saudi Haj Minister and asked for an increase in the Haj quota.
4. Union Health and Family Welfare Minister Shri Ghulam Nabi Azad visited Riyadh to offer condolences on the death of the Crown Prince Sultan on October 25, 2011.
5. National Security Adviser Shri Shivshankar Menon visited Riyadh on December 4-5, 2011, to deliver a talk at ‘*Gulf Forum 2011*’ and on the sidelines held meeting with the then Chief of Saudi General Intelligence Prince Muqrin bin Abdulaziz.
6. Defence Minister Shri A. K. Antony led a 9-member delegation to Riyadh from February 13-14, 2012, and held discussions with Saudi King Abdullah bin Abdulaziz, Defence Minister Prince Salman bin Abdulaziz and Deputy Defence Minister Prince Khaled bin Sultan. It was decided to form a Joint Committee on Defence cooperation.
7. Deputy Chairman of Rajya Sabha, Shri K. Rahman Khan visited Saudi Arabia to attend the G-20 Parliament Speakers’ Consultative Meeting on February 25-26, 2012 and held meetings with Dr. Abdullah bin Mohammad al-Sheikh, Chairman, Saudi Shoura Council; Prince Turki Al Faisal, Chairman, King Faisal Centre, and Dr. Ali Qasim M. Al Qahtani, Saudi Assistant Deputy Minister for Manpower Training Development.
8. The Then MOS for External Affairs Shri E. Ahmed visited the Kingdom to participate in the ‘Friends of Yemen’ meeting in Riyadh from May 23-26, 2012 and held meetings with Yemeni Prime Minister Mohammad Basindawa and Foreign Minister Dr. Abu-Bakr Abdullah Al-Qirbi on the sidelines of the meeting. He also met Saudi Foreign Minister Prince Saud Al-Faisal, Defence Minister Prince Salman, Haj Minister Dr. Bandar bin Mohammad Al Hajjar during the visit.
9. Minister of Law and Justice Shri Salman Khurshid led a 3-member delegation to the Kingdom from June 17-18, 2012, to offer condolences on the death of Crown Prince Naif bin Abdulaziz Al Saud.
10. The then Minister of State for External Affairs Shri E. Ahmed visited Jeddah from September 17-20, 2012 and met Saudi Haj Minister Dr. Bandar bin Mohammed Al-Hajjar and discussed Haj related issues. Shri E. Ahmad led Haj 2012 Goodwill delegation from

- 21 October – 1 November, 2012, and held meeting with Saudi Haj Minister Dr. Bandar bin Mohammed Hajjar in Jeddah on October 23, 2012, to discuss Haj related issues.
11. Secretary (East) Shri Sanjay Singh led a 3-member delegation to the Kingdom for the review meeting of 9<sup>th</sup> JCM on December 23, 2012.
  12. The then MOS(EA) Shri E. Ahamed accompanied by members of Haj delegation visited Kingdom from March 15-16, 2013 and met Saudi Haj Minister Dr. Bandar bin Mohammed Hajjar in Jeddah. During their meeting, issues pertaining to Indian pilgrims were discussed and the Haj Agreement for 2013 was also signed.
  13. Hon'ble Minister of Overseas Indian Affairs Shri Vayalar Ravi accompanied by Hon'ble Minister of State for External Affairs Shri E. Ahamed and Advisor to Prime Minister of India Shri T.K.A. Nair visited Saudi Arabia from April 27-30, 2013 and met with Saudi Labour Minister, Foreign Minister and Deputy Interior Minister.
  14. Attorney General for India Shri Goolamhusein Essaji Vahanvati visited Saudi Arabia from May 14 – 21, 2013 and met with Saudi Justice Minister Dr. Mohammed bin Abdulkareem Al-Issa and President of Bureau of Investigation and Public Prosecution Mr. Sheikh Mohammad bin Fahd bin Abdul Rahman Al-Abdullah in Riyadh and Saudi Interior Minister Prince Mohammed bin Naif in Jeddah.
  15. The then Hon'ble External Affairs Minister Shri Salman Khurshid visited Saudi Arabia from May 24-27, 2013 and met with Crown Prince Salman, Second Deputy Prime Minister Prince Muqrin, Foreign Minister Saud Al Faisal, Interior Minister Prince Mohammad bin Naif, Labour Minister H.E. Mr. Adel bin Mohammed Fakeih.
  16. Shri Rajiv Mehrishi, Secretary, Ministry of Overseas Indian Affairs visited Saudi Arabia on July 3, 2013 and met with Dr. Mufraj Al Haqbani, Saudi Vice Labour Minister.
  17. Shri Ashok K. Kantha, Secretary (East) visited Saudi Arabia to review the Haj arrangements and met with the Saudi Vice Minister of Foreign Affairs Prince Abdulaziz bin Abdullah in Jeddah on August 29, 2013.
  18. Hon'ble Finance Minister Shri P. Chidambaram visited Saudi Arabia from January 27-28, 2014 for the 10<sup>th</sup> Joint Commission Meeting and met with Crown Prince Salman; Second Deputy Prime Minister Prince Muqrin and Commerce & Industry Minister H.E. Dr. Tawfiq Al Rabiah.
  19. MOS(EA) Shri E. Ahamed visited Saudi Arabia on 9-10 February 2014 for signing of Hajj 2014 agreement.
  20. The then MOS (EA) Shri E. Ahamed visited Kingdom from April 27-29, 2014 and met with Saudi Haj Minister Dr. Bandar bin Hajjar and discussed issues pertaining to Indian Haj pilgrims.
  21. Shri Arif Baig and Shri Abdul Rashid visited Saudi Arabia from 29 September to 20 October 2014 as Haj Goodwill delegation.
  22. MoS (IC) for Petroleum and Natural Gas Shri Dharmendra Pradhan visited Kingdom from October 27-29, 2014 for the 2<sup>nd</sup> bilateral energy consultations. MoS (IC) also held bilateral meeting with Saudi Petroleum and Mineral Resource Minister Eng. Ali bin Ibrahim Al-Naimi.
  23. On January 24, 2015, Vice President led a high level delegation including Minister of State Mr. Mohd. Mukhtar Abbas Naqvi, Member of Parliament Mr. Gulam Nabi Azad, Mr. M.J. Akbar and a number of senior officials to offer condolences on the sad demise of the King Abdullah.
  24. MOS Gen (Dr.) V.K. Singh (Retd.) visited Kingdom in February 2015, to sign the Haj Agreement for 2015 and met with Saudi Haj Minister Dr. Bandar Hajjar and also discussed issues pertaining to arrangements for Haj 2015.
  25. MOS Gen (Dr.) V.K. Singh (Retd.) visited Kingdom in October 2015 and met with the Saudi Health Minister Khalid Al Falih and discussed about the welfare of Indian Haj pilgrims, who were injured in the stampede in Mina.