

INDIA-MALAYSIA BILATERAL RELATIONS

India established diplomatic relations with the Federation of Malaya (predecessor state of Malaysia) in 1957. The two countries enjoyed a strong relationship in the 1960s as a result of the personal friendship between Prime Ministers Nehru and Tunku Abdul Rahman Putra. Presently, India and Malaysia have developed close political, economic and socio-cultural relations. There is a considerable goodwill for India in Malaysia at people-to-people level, which hosts approximately 2.75 million PIOs, which is the second largest PIO community in the world after the US.

During the visit of Prime Minister Shri Narendra Modi to Malaysia in November 2015, the India-Malaysia relationship was enhanced to **Enhanced Strategic Partnership**. Year 2022 marks the 65th year of establishment of bilateral relationship between India and Malaysia.

Bilateral VVIP visits

Malaysian Dignitaries to India

- * PM Tunku Abdul Rahman (1962)
- * Two visits of Yang di- Pertuan Agong (King) prior to 1974
- * Agong (King) V-Al-Sultan Almu'tasimu Billahi Muhibbuddin Tuanku Al-Haj AbdulHalim Mu'adzam Shah Ibni Al-Marhum Sultan Badlishah (1974)
- * PM Tun Hussein Onn (1979/ 1980)
- * PM Tun Dr. Mahathir bin Mohamad (1983/1987/1993/1994/ 1996/1997/ 2002)
- * PM Tun Abdullah Ahmad Badawi-(2004)
- * PM Dato' Sri Najib Razak- (2010/2012/2017/2018)

Indian Dignitaries to Malaysia

- * PM Pt. Jawaharlal Nehru (1954)
- * President Dr. Rajendra Prasad (1958)
- * Vice President Dr. Zakir Hussein (1966)
- * PM Smt. Indira Gandhi (1968)
- * President Shri V.V. Giri (1973)
- * President Shri Fakhruddin Ali Ahmed (1977)
- * PM Shri V.P. Singh (1990)
- * PM Shri P.V. Narsimha Rao (1995)
- * Vice President Shri Krishan Kant (1997)
- * PM Shri Atal Bihari Vajpayee-(2001/2003)
- * PM Dr. Manmohan Singh-2005 (11-14 December)/2010 (26-28 October)
- * PM Shri Narendra Modi-2015 (20-22 November) and 2018 (31 May)

Bilateral Institutional Mechanisms

Following institutionalized arrangements exist between India and Malaysia:

- India- Malaysia Joint Commission Meeting (JCM) at the Foreign Minister level;
- India- Malaysia Foreign Office Consultations at Secretary-level;

- Malaysia- India Defence Cooperation Meeting (MIDCOM) at Secretary-level;
- India- Malaysia Joint Working Group on Counter Terrorism & Transnational Crime;
- India- Malaysia Joint Committee on Science and Technology;
- India-Malaysia Joint Working Group on Information Technology;
- India- Malaysia Joint Working Group on Information Technology;
- India- Malaysia Joint Working Group on Labour;
- India-Malaysia Joint Working Group on Higher Education;
- India-Malaysia Joint Working Group on Renewable Energy;
- India-Malaysia Joint Working Group on Public Administration; and
- Bilateral Technical Meeting (BTM) on Cooperation in the Field of Traditional Medicine.

Other important mechanism of discussions and consultations includes the IndiaMalaysia Parliamentary Friendship Group constituted in October 2011, and the IndiaMalaysia CEOs' Forum established in 2010.

The 5th Secretary Level Foreign Office Consultations (FOC) was held on 12 April 2022 in Malaysia.

Minister of Foreign Affairs of Malaysia, Dato' Sri Saifuddin Abdullah visited India on June 15-17, 2022 to take part in the Special ASEAN Foreign Ministers Meeting in New Delhi on June 16, 2022. EAM Dr S Jaishankar and FM Abdullah held bilateral meeting on June 17, 2022.

Bilateral Agreements

A number of agreements and MoUs have been signed between India and Malaysia, the prominent among which are:

- MoU on Defence Cooperation (1993);
- Visa Exemption Agreement for Diplomatic and Official Passport holders (2001);
- MoU on Employment and Welfare of Workers (2009);
- MoU on Cooperation in the field of Higher Education (2010);
- Bilateral Extradition Treaty (January 2010);
- MoU on cooperation in field of Tourism (2010);
- MoU on Cooperation in the field of Traditional Systems of Medicine (2010);
- Cooperation relating to provision of Technical Assistance Services on Highway Management & Development (2010);
- MoU on Cooperation in IT & Services (2010);
- Comprehensive Economic and Cooperation Agreement (CECA) (2011);
- Revised Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (2012);
- Mutual Legal Assistance Treaty (2012);
- MoU on Cooperation in Renewable Energy (2012);
- MoU on Cooperation and Mutual Assistance on Custom Matters (2013);
- MoU on Cooperation in the field of Public Administration and Governance (2013);

- MoU on Cyber Security (2015);
- MoU on Cultural Exchange Program (2015);
- MoU between NITI AAYOG and PEMANDU (2015);
- Revised Air Services Agreement (2017);
- MoU on Cooperation in the Field of Sports (2017);
- MoU between Malaysian Palm Oil Board (MPOB) and Institute of Chemical Technology (ICT), India (2017);
- Bilateral Work Agreement for Spouses at Diplomatic Missions/ Consulates (2017); and
- MoU on Mutual Recognition of Educational Degrees and Certificates between AIU and MQA (2017)

Security Cooperation

There is close cooperation in the field of security matters between the two countries. A Joint Working Group (JWG) was established in 2010 to combat the threat of terrorism. The bilateral Extradition Treaty has been signed (January 2011) and ratified on 13 February 2011 and the Treaty on Mutual Legal Assistance in Criminal Matters signed (March 2012) and ratified on 12 November 2012. An MoU on Cyber Security between the two countries was signed in 2015. To institutionalize the dialogue on the subject matters being dealt with under above-mentioned Agreements, a Joint Committee on Security Matters was established in 2012. An agreement on the Transfer of Sentenced Person is currently under discussions.

Economic & Commercial relations

Economic and commercial relations are the mainstay of our bilateral partnership. With strengthening bilateral economic and commercial relations, Malaysia has emerged as 13th largest trading partner for India while India figures among the ten largest trading partners for Malaysia which is also our 3rd largest trading partner in ASEAN. A bilateral Comprehensive Economic Cooperation Agreement (CECA) covering goods, services and investment has come into effect from 1 July 2011.

India's major exports items to Malaysia are mineral fuels, mineral oils; aluminum and articles thereof, meat and edible meat offal, iron and steel, copper and articles thereof, organic chemicals, nuclear reactors, boilers, machinery and mechanical appliances; electrical machinery and equipment; etc. **India's major import items from Malaysia** are palm oil, mineral fuels, mineral oils, electrical machinery and equipment; animal or vegetable fats and oils and their cleavage products; nuclear reactors, boilers, machinery and mechanical appliances; copper and articles thereof, wood; wood charcoal, aluminum, organic chemicals, iron and steel and miscellaneous chemical products.

Bilateral trade figures since 2015-16 are as below:

Year Trade	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 (April-Aug 23)
Export	3.70	5.22	5.70	6.43	6.37	6.06	6.99	3.49
Import	9.08	8.93	9.01	10.81	9.78	8.39	12.42	5.83
Total	12.78	14.15	14.71	17.24	16.15	14.45	19.41	9.33

[* Values in US \$ billion. (Source: Department of Commerce, GOI)]

Investments

As per official figures (DPIIT), Malaysia ranks as the 26th largest investor in India with FDI inflow of US\$ 1.12 billion during the period April 2000 to September 2021 (Source: DPIIT, GoI). Considering the Mauritius route, Malaysia's investments in India are expected to be of the tune of US\$7 billion. The highest investment proposals have been in the telecommunications, followed by fuels (power and oil refinery), roads and highways. Notable among these are Maxis Communications in Aircel, Axiata in IDEA cellular Ltd and Khazanah in IDFC, Apollo Hospitals, Yes Bank, etc. The largest presence of Malaysian construction companies outside Malaysia is in India.

Indian investments in Malaysia: Indian companies have invested in around 250 manufacturing projects of over US\$ 2.62 billion (RM 8.74 billion) in Malaysia which includes investment of US\$1.37 billion (RM 5.5 billion) by around 135 Indian companies in the manufacturing sector creating over 15,000 jobs till December 2020. (Source: MIDA, GoM). The prominent Indian IT companies that have a significant presence in Malaysia include TCS, HCL, Tech Mahindra, Wipro, Infosys, Ramco Systems.

Prominent Indian investors/projects include Recron Malaysia Sdn Bhd (owned by the Reliance group), Tamco Switchgear (owned by Larsen & Toubro), UNZA Malaysia (owned by Wipro), Ranbaxy Malaysia, MelakaManipal Medical College in Melaka and the Melaka International

College in Nilai, among others. Shapoorji Pallonji Veeda Clinical Research Organization, Ahmedabad has set up its advanced research unit at Ampang Hospital in Kuala Lumpur. Biocon India made an investment worth of US\$ 350 million to set up its first overseas manufacturing and research facility in Johor Bahru in Malaysia. Shapoorji Pallonji Malaysia has been active in the oil & gas FPSO (Floating Production Storage and Offloading) contracting business in Malaysia.

Presently, there are more than 150 Indian companies, including 61 Indian joint ventures and 3 Indian Public Sector Undertakings operating in Malaysia. Their areas of operation are manufacture of textiles and yarn, drugs and pharmaceuticals, glass containers; automobile associated activities, specialty chemicals, steel furniture, rubber products, services in banking, insurance, information technologies, education, biotechnology, healthcare, etc. IRCON started its operations in Malaysia in the year 1988, and till date has executed numerous major projects for KTMB & Government of Malaysia. IRCON has commissioned 15 projects involving 580 km of track rehabilitation and about 298 km of new lines. IRCON has successfully completed a major project Seremban-Gemas Electrified Double Track Project costing RM 3.45 billion (USD one Billion) in 2011. India International Bank Malaysia (IIBM), a consortium of three Indian banks—Bank of Baroda (40%), Andhra Bank (35%) and IOB (25%) – obtained commercial license in April 2010 to operate in Malaysia. IOB has agreed to take over the shares of Andhra Bank and Bank of Baroda in order to restructure the bank and make it more viable in the Malaysian market. Necessary approvals from the Indian side have been received. ICICI Bank has a Representative office in Malaysia. GIC Re (General Insurance Corporation Reinsurance) is present in Malaysia making significant contribution.

Defence Cooperation

India-Malaysia defence relations have steadily grown over the years. The MoU on Defence Cooperation signed in 1993 is the cornerstone of defence relations between the two countries. The Malaysian Defence Minister visited India in June 2006 and in April 2017. Raksha Mantri visited Malaysia in January 2008 and again in November 2015 (multilateral.) Then Senior Minister for Defence, Dato Sri Ismail Sabri participated (through a pre-recorded message) in IOR Defence Minister's Conclave on the sidelines of Aero India 2021 on 4 February 2021. Malaysian delegation also joined the event virtually.

Taking forward the high level defence engagements, Defence Ministers of India and Malaysia held a virtual bilateral meeting in June 2022. The Royal Malaysian Navy (RMN) Chief Admiral visited India from 16-19 August 2022. Defence Secretary, Ministry of Defence, India visited Malaysia on an official visit from 16-19 August 2022.

The 11th Malaysia-India Defence Cooperation Meeting (MIDCOM) chaired by the Secretaries of the two Defence Ministries, was held in Kuala Lumpur on 21 November 2018. An MOU on UN Linkages with Malaysia was signed during the MIDCOM, first one after the Defence Cooperation Agreement of 1993.

Regular Staff Talks between the all the three services at apex level have been successfully ongoing. Regular visits of defence officers from both countries have been undergoing. A number of Malaysian officers have attended courses in India; National Defence College (NDC), Defence Services Staff College (DSSC) Wellington & Naval Long courses in Kochi among others. India has been a regular participant at the Langkawi International Maritime and Aerospace Exhibition (LIMA) and Defence Services Asia (DSA) Exhibition in Malaysia. Likewise, Malaysian delegation regularly attends the Aero India and Def Expo. The Royal Malaysian Navy (RMN) participated in the Goa Maritime Conclave (GMC-21) from 7-9 November 2021. A NDC Delegation visited Malaysia on a week long tour in May 2022.

Indian Naval Ships and Indian Coast Guard Ships frequently make port calls at Malaysian Ports. Recently KD Lekiu of the Royal Malaysian Navy participated in the multilateral exercise MILAN 22 from 25 Feb-4 March 2022 at Vishakhapatnam. The INS Ship SATPURA also made a port call at Port Kota Kinabalu from May 25-28, 2022. Indian navy ship and the Royal Malaysian Navy undertook Exercise SAMUDRA LAKSHMANA during the period. INS Sumedha made a port call at Port Klang from 24-30 August 2022. First Ever bilateral Air Exercise UDARA SHAKTI took place between Indian Airforce and Royal Malaysian Air Force in Kuantan Airbase between 13-16 August 2022. Bilateral Army exercise HARIMAU SHAKTI is scheduled in end Nov, 2022

Education

About 3,569 Indian students are studying in Malaysia, while an estimated 3000 Malaysian students are studying in India, mostly medicine. An MoU on Higher Education was signed on 20 January 2010. India has offered 30 slots under ITEC program for 2022-22. Since 2007, 280 Malaysians have attended different courses offered by around 90 institutions under ITEC. The Indian Council for Cultural Relations (ICCR) offers 2 scholarships under the General Scholarship Scheme (GSS) and 2 scholarships under the Education Exchange Program (EEP) every year.

The Indian Scholarship and Trust Fund was created in 1946 by PM Nehru to benefit and assist Malaysian-Indian students on an annual basis. Since 2006, more than RM2 million has been disbursed from the ISTF, benefitting more than 800 Malaysian Indian students. In the 2021-22 FY, 83 Malaysian-Indian students studying in various universities in Malaysia were awarded a total of RM 307,500 in scholarships.

Traditional Medicine

India and Malaysia signed an MoU on cooperation in the field of Traditional Systems of Medicine in October 2010. In addition to the AYUSH Information Cell in Indian Cultural Centre, one Ayurveda doctor and two therapists, and a Siddha doctor have been deputed to Malaysia since 2011. An MOU on Establishment of Academic Chair in Ayurveda between University Tunku Abdul Rahman (UTAR) and the Institute of Teaching and Research in Ayurveda (ITRA) Jamnagar was signed in October 2021. India also offers 20 seats under the AYUSH Scholarship Scheme to Malaysia to pursue Bachelor degree in Ayurveda, Siddha, Unani and Homeopathy medicine in Indian institutions.

Cultural Cooperation/IDY celebrations

The Indian Cultural Centre Kuala Lumpur, under ICCR was established in February 2010 which conducts classes in Carnatic Vocal, Kathak dance, Yoga, Hindi language and Tabla by trained teachers from India and Malaysia. The Centre was renamed as Netaji Subhash Chandra Bose Indian Cultural Center (NSCBICC) by PM Narendra Modi during his visit to Malaysia in November 2015.

The Mission, in collaboration with our Ministry of Culture, organized the first Festival of India in Malaysia between March-June 2015 where 45 events were held in 100 days in all major cities of Malaysia culminating in the first ever International Day of Yoga on 21 June, 2015. In partnership with prominent Sikh organizations and gurdwaras, High Commission organized events throughout the year to mark 550th Birth Anniversary of Guru Nanak Devji. As part of the commemorative celebrations of the 150th Birth anniversary of Mahatma Gandhi, the grand finale event was organized on 2 October 2019, at Cyberjaya University College of Medical Science.

High Commission of India Kuala Lumpur has been celebrating **Azadi Ka Amrit Mahotsav** through various events and celebrations across a range of themes. Some of the important ones in this series are the celebration of International Day of Non-violence and 152nd Birth Anniversary of Mahatma Gandhi; Talk on India's influence on Bahasa Malaysia language; Remembering the Rani of Jhansi Regiment of INA; series of events on Yoga including the International Day of Yoga; INA Raising Day celebrations on October 18, 2021; 6th Ayurveda Day on November 2, 2021; Constitution Day on 26 November 2021; India- Bangladesh Maitree Diwas on December 7, 2021; 5th Siddha Day on December 23, 2021; A special event marking "Tribute to Terror Victims - Shraddhanjali" on the 13th anniversary of the 26/11 Mumbai attacks; Pravasi Bhartiya Divas on January 9, 2022; Viswa Hindi Divas on January 10, 2022; National Youth Day commemorating Birth Anniversary of Swami Vivekanand on January 12, 2022; Rangoli Making Event on January 14, 2022; and 125th Birth Anniversary celebrations of Netaji Subash Chandra Bose on January 23, 2022. Ek Bharat Shreshtha Bharat Week (from 7- March 2022), International Day of Yoga on June 21, 2022, Gandhi Jayanti and International Day of 12 Non-violence on Oct 2, Constitution Day on November 26, 2022.

As part of the celebrating Azadi Ka Amrit Mahotsav celebrations and the International Day of Yoga, High Commission is organising 75 Yoga events across all states of Malaysia in collaboration with largest number of partner organisations including cultural and community organisations, yoga clubs, businesses, Universities and schools in Malaysia. The Yoga Mahotsav of 75 yoga event series started with the IDY 2022 celebrations at Batu Caves on June 21 which was participated by over 800 yoga enthusiasts.

India-Malaysia@65: Kicking off the year-long celebrations and activities marking 65 years of establishment of diplomatic relations between India and Malaysia in 2022, the High Commission of India in Malaysia organised a Special Commemorative Event India-Malaysia@65 at the Kuala Lumpur Convention Center (KLCC) on September 9, 2022. The event was organised in partnership with the leading business associations representing Indian and Malaysian businesses namely the Consortium of Indian Industries in Malaysia (CIIM) and Malaysia India Business Council (MIBC). H.E. YB Dato' Sri Saifuddin Abdullah, Hon'ble Foreign Minister of Foreign Affairs of Malaysia graced the occasion representing the Government of Malaysia as the Guest of Honour for the event.

Tourism and Civil Aviation Sector Cooperation

India was the seventh largest source country for inbound tourism to Malaysia with over 7,35,000 Indian tourists visiting Malaysia in 2019, an increase from 600,000 in 2018. Malaysia was the second largest source country from South East Asia for foreign tourists visiting India with 334,500 Malaysian tourists in 2019. About 319,000 Malaysian tourists visited India in 2018 and 322,000 Malaysian tourists (excluding OCI/PIO card holders) visited India in 2017. An MoU on Tourism was signed during our PM's visit to Malaysia in 2010. Before the Covid-19 Pandemic, there were over 210 weekly flights connecting 19 Indian cities with Malaysia. With scheduled opening of border for international tourists, the numbers are expected to increase significantly.

Assistance to Indians during COVID-19 and Vande Bharat Mission

Malaysia was among the select countries to be included in the first phase of Vande Bharat Mission starting May 2020. Till the closure of the Vande Bharat Mission in March 2022, around 1,10,000 Indians nationals have been repatriated from Malaysia by over 670 flights under Vande Bharat Mission. Mission has been issuing regular COVID related GOI travel advisories on its website, official Twitter handle, Facebook page and other social media platforms. A dedicated 24x7 helpline number and email has been operational since 18 March 2020 to assist stranded Indian nationals. Mission has been extending all necessary assistance to the VBM travelers including at the airport for their safe and smooth return.

Indian Diaspora

Total number of Persons of Indian Origin is around 2.77 million (about 8.5% of Malaysia's population). 90% of PIOs speak Tamil and the rest speak Telugu, Malayalam, Punjabi, Bengali, Gujarati, Marathi, etc. There are approx. 1,85,000 NRIs both skilled and unskilled in Malaysia. There are almost 20,000 Hindu temples and over 120 Gurudwaras in the country. Malaysia has vibrant Indian diaspora consisting of business entrepreneurs, doctors, engineers, IT professionals, skilled professionals in construction, marine, financial services, etc. and workers in various niche sectors. Malaysia has been sending one of the largest contingents to the Pravasi Bharatiya Divas to India. There are six (06) Pravasi Bahariya Samman Awardee from Malaysia as of now.

November 2022

