

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 Jawaharlal Nehru and Tunku Abdul Rahman Putra. PM Abdullah Badawi (2004-2009) and former PM Dato' Seri Mohd. Najib Tun Abdul Razak took many initiatives to develop closer ties with India.

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 and the third largest Indian diaspora in the world (2.9 million).

There has been growing engagement in all aspects of our bilateral relationship since the elevation of India-Malaysia relations to **Enhanced Strategic Partnership**, during the **visit** of **PM Shri Narendra Modi** to Malaysia in **November 2015**.

Bilateral VVIP visits (in Chronological order)

Malaysian Dignitaries to India: PM Tunku Abdul Rahman (1962); Two visits of Yang- di- Pertuan Agong (King) prior to 1974; Agong (King) V-AI-Sultan Almu'tasimu Billahi Muhibbuddin Tuanku Al-Haj Abdul Halim Mu'adzam Shah Ibni Al-Marhum Sultan Badlishah (1974); PM Tun Hussein-(1979/ 1980); PM Dr. Mahathir bin Mohamad- (1983/1987/1993/1994/ 1996/1997/ 2002); PM Dato' Seri Abdullah Ahmad Badawi-(2004); PM Mohd Najib Tun 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. Narasimha 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)

Recent High Level Ministerial visits

- **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.

- **The then Minister of Human Resources of Malaysia Mr. Sivakumar Varatharaju Naidu**, visited India from 7-13 January, 2023 on the invitation of the EAM to take part in the 17th PBD Convention in Indore. A 150 member Malaysian delegation took part in the PBD 2023 at Indore.

- **The Regent of Pahang HRH Tengku Hassanal Ibrahim Alam Shah** visited India from 7-12 April 2023 for the Commemorative event marking 50 years of Project Tiger in India and the launch event of the International Big Cats Alliance (IBCA).

- **Hon'ble Minister of State for External Affairs and Parliamentary Affairs Shri V Muraleedharan** visited Malaysia on May 31- June 2, 2023 on a working visit. MOS held bilateral meetings with H.E. Datuk Mohamad bin Alamin, Deputy Minister of Foreign Affairs of Malaysia and H.E. YB Ramkarpal Singh, Deputy Minister at Prime Minister's Department (Parliamentary Affairs) and discussed wide-ranging issues on further deepening bilateral cooperation.

- **Hon'ble Defence Minister of India, Shri Rajnath Singh paid an official visit to Malaysia from July 10 -11, 2023.** During the visit, the RM called on the Prime Minister of Malaysia, YAB Dato'

Seri Anwar Ibrahim and conveyed warm greetings of PM Shri Narendra Modi. RM also met his Malaysian counterpart, Dato' Seri Mohamad Hasan (now the Minister of Foreign Affairs) and the Minister of Foreign Affairs of Malaysia, Dato' Seri Diraja Dr Zambry Abd Kadir (now Higher Education Minister).

➤ **The Minister of Foreign Affairs of Malaysia, Dato' Seri Diraja Dr Zambry Abd Kadir and External Affairs Minister of India** held a bilateral meeting on the sidelines of ASEAN Summit in Jakarta on September 7, 2023.

➤ **The Minister of Foreign Affairs of Malaysia, Dato' Seri Diraja Dr Zambry Abd Kadir undertook his first official visit to India** in capacity of Minister of Foreign Affairs of Malaysia from 5-8 November 2023, to co-chair the 6th India Malaysia Joint Commission Meeting along with EAM Dr. S Jaishankar.

➤ **Dr. Rajkumar Ranjan Singh, Hon'ble Minister of State for External Affairs and Education, GoI visited Malaysia** on a working visit from 30 Nov to 3 December 2023 to attend the inaugural Global Organization for People of Indian Origin (GOPIO) International Business Summit and Expo.

➤ **External Affairs Minister (EAM) Dr. S. Jaishankar paid an official visit to Malaysia on 27-28 March 2024.** EAM called on the Dato' Seri Anwar Ibrahim, Prime Minister of Malaysia and also held bilateral meetings with Minister of Foreign Affairs of Malaysia, Mr. Mohamad Hasan and Mr. Gobind Singh Deo, Minister of Digital of Malaysia.

Bilateral Institutional Mechanisms

List of Bilateral Institutional Mechanisms with Malaysia is as follows:

- **Joint Commission Meeting (JCM)**
- **Foreign Office Consultations**

- **India-Malaysia Defence Cooperation Meeting (MIDCOM)**
- **India-Malaysia CEOs' Forum**
- Apart from above **there are Joint Working Groups** on Counter Terrorism and Transnational Crime, Science and Technology, Information Technology, Labor, Higher Education, Renewable Energy, Public Administration and mechanism of Bilateral Technical Meeting (BTM) on Cooperation in the Field of Traditional Medicine.

Economic & Commercial relations

Economic and commercial engagement has become an important pillar of India-Malaysia Enhanced Strategic Partnership.

- Bilateral trade between the two countries has been steadily growing to reach US\$20.01 billion in FY 2023-24. Malaysia has emerged as 16th largest trading partner for India while India figures among the 10 largest trading partners for Malaysia. Malaysia is also our 3rd largest trading partner in ASEAN.
- India's primary exports to Malaysia consist of mineral fuels, mineral oils, aluminum and related articles, meat and edible meat offal, iron and steel, copper and related articles, organic chemicals, nuclear reactors, boilers, machinery and mechanical appliances, electrical machinery and equipment, and more.
- 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, aluminium, organic chemicals, iron and steel and miscellaneous chemical products.

Bilateral trade figures since 2018-19

Year Trade	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24(April to Mar)
Export	6.43	6.37	6.06	6.99	7.15	7.26

Import	10.81	9.78	8.39	12.42	12.74	12.75
Total	17.24	16.15	14.45	19.41	19.89	20.01

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

Bilateral Investments

Malaysia's Investments in India

- **Malaysia ranks as the 31st largest investor in India** with FDI inflow of **US\$ 3.3 billion**. Besides this, **investments worth US\$5 billion** have been announced by various companies in the fields of renewable energy especially green hydrogen, green ammonia and also infrastructure projects.
- Around 70 Malaysian companies, including joint ventures, have established operations in India, focusing on diverse sectors like infrastructure, healthcare, telecommunications, oil and gas, power plants, tourism, and human resources.
- Among major Malaysian Companies with presence in India are **Petronas**, Malaysia's National Oil Company which has been operating in India for the past three decades; **Gentari (wholly-owned RE arm of Petronas)**, with total investment in **India's Renewable Energy Sector at an estimated US\$4.5 – US\$5 billion**; **IHH Healthcare in addition to many construction companies invested in highway and road projects.**

India's Investments in Malaysia

- There are more than **150 Indian companies**, including 61 Indian joint ventures and 3 Indian Public Sector Undertakings operating in Malaysia. Indian companies have invested in around **250 manufacturing projects** of over **US\$ 2.62 billion** (Source: MIDA, GoM). Prominent Indian investors/projects include Biocon Malaysia, Recron Malaysia SdnBhd (owned by the Reliance group), UNZA Malaysia (owned by Wipro), Ranbaxy Malaysia, Melaka Manipal Medical College in Melaka and the Melaka International College in Nilai, among others.

- Over the last three decades, the number of Indian IT companies in Malaysia has grown significantly with cumulative investments of over US\$250 million. Some among these are: Tech Mahindra, Tata Consultancy Services, Infosys, Ramcosystems, WIPRO Limited etc.

Bilateral Initiatives and Collaboration

- **Trade Settlement in Indian Rupees:** Trade between India and Malaysia can be settled in Indian Rupee (INR) in addition to the current modes of settlement in other currencies beginning 1st April 2023. India International Bank of Malaysia (IIBM) is the first Bank in Malaysia that has operationalised this mechanism by opening a Special Rupee Vostro Account through its Corresponding Bank in India i.e. Union Bank of India.
- **ASEAN INDIA Business Summit in March 2023:** The 5th ASEAN-India Business Summit & ASEAN-India Business Excellence Awards was organized by ASEAN-India Business Council in partnership with High Commission of India in Kuala Lumpur joined by Malaysian Ministry of International Trade and Industry and Federation of Indian Chambers of Commerce & Industry.
- **India-ASEAN Startup Summit (IASS) 2023, December 2023:** The Summit was held on 12-13 December 2023 at Kuala Lumpur with participation from 35 startups from India led by Startup India, Department of Science & Technology and T-Hub in Hyderabad.
- **India Investment and Trade Promotion Roadshow 2024, 21 February 2024:** The roadshow was held on 21 February 2024 at Kuala Lumpur with the Indian delegation led by H.E. Mr. Rajesh Kumar Singh, Secretary, DPIIT, Ministry of Commerce.

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 which allows for widening the scope of existing bilateral cooperation to include joint ventures, joint development projects, procurement, logistic and maintenance support and training. Amendment to the MoU was signed in July 2023, during the visit by Hon'ble RM to Malaysia. First regional office of HAL was also inaugurated in Kuala Lumpur during the visit.
- The 12th edition of the **MIDCOM** took place on 19 Sep 2023 at New Delhi. The meeting was co-chaired by Defence Secretary Shri Giridhar Aramane and Deputy Secretary General (Policy), Malaysia Mr Mohd Yani bin Daud.
- Regular Staff Talks between the services at apex level have been extremely successful. Indian Navy ships regularly pay **port visits to Malaysia**, which provides opportunity to both navies to interact and engage with each other and also foster bonds of lasting friendship.
- India has been a regular participant at the **Langkawi International Maritime and Aerospace Exhibition (LIMA)** and **Defence Services Asia (DSA)** Exhibition in Malaysia.

Education

- India and Malaysia signed a Memorandum of Understanding (MoU) in 2010 for bilateral cooperation in higher education. About 4,400 Indian students are studying in Malaysia in public and private universities mainly in the streams of engineering, medicine, business administration and social sciences. There are close linkages between the Indian and Malaysian higher educational institutions with over 500 MoUs/Agreements.
- An estimated 3,000 Malaysian students are studying in India. India offers 40 slots to Malaysia under the Indian Technical

& Economic Cooperation (ITEC) programme annually. The Indian Council for Cultural Relations (ICCR) offers 3 scholarships under the General Scholarship Scheme (GSS) and 2 scholarships under the Education Exchange Programme (EEP) every year to Malaysia. India also offers 20 seats under the AYUSH Scholarship Scheme. Since 2007, about 319 Malaysians have attended different courses offered by around 82 institutions under ITEC.

➤ The Indian Scholarship and Trust Fund was created in 1946 by Prime Minister Nehru to benefit and assist the Malaysian-Indian students on an annual basis. Over the years, the corpus of the Fund has been augmented by contributions from other Indian Prime Ministers, including Shri Narendra Modi who gave additional grant of RM 3 million during his visit to Malaysia in November 2015. Since 1996, more than RM3.1 million has been disbursed from the ISTF, benefitting more than 1,000 Malaysian Indian students.

Traditional Medicine

- India and Malaysia signed a MoU on cooperation in the field of Traditional Systems of Medicine in October 2010. AYUSH experts are also periodically deputed for short periods to deliver lectures, consultations, conduct seminars and periodical training to Malaysian doctors, professionals and others.
- An MoU for setting up an Academic Chair on Ayurveda between University Tunku Abdul Rahman (UTAR) and Institute for technical Research in Ayurveda (ITRA) was signed.
- The 7th of Bilateral Technical Meeting (BTM) on Cooperation in the Field of Traditional Medicine took place in Goa on 8 December 2023 in Goa.
- A Coffee Table Book has recently been published by the Ministry of Health of Malaysia, celebrating the decade-long collaboration between the two sides in the area of traditional medicine systems

Cultural Cooperation

- An **Indian Cultural Centre** under ICCR was established in Kuala Lumpur in February 2010 to provide classes in Carnatic Vocal, Kathak dance, Yoga, Hindi language 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.
- **Confluence: Samagam- Language Series-** The Netaji Subhas Chandra Bose Indian Cultural Centre (NSCBICC) together with the High Commission of India launched the “Confluence: Samagam- the Language Series” on Saturday, 27 April 2024 aimed promoting and propagating prominent Indian languages spoken by Persons of Indian Origin (PIO) community in Malaysia.
- The **9th International Yoga Day celebrations** were held at the iconic Batu Caves Complex on Wednesday, 21st June 2023. Over 1,000 yoga enthusiasts participated in the mega event, which included people from all walks and ages including members of the diplomatic community, senior officials of the Government of Malaysia, NGOs, members of various community, cultural and yoga associations in Malaysia.
- High Commission in partnership with Think City Penang and the local Indian Diaspora associations and schools in Penang organised **"Reminiscing Rabindranath Tagore"** to commemorate Guru Rabindranath Tagore at Dewan Budaya, Universiti Sains Malaysia, Penang on 29 November 2023 in Penang. Other celebrations held during the year included World Sanskrit Day, celebration of Hindi Diwas, Gandhi Jayanti, Parakram Diwas, Ambedkar Jayanti among others.

Indian community /Persons of India Origin (PIOs):

- Malaysia has the third largest Indian diaspora in the world (2.9 million). The number of Persons of Indian Origin is around **2.75 million** (about 6.8% of Malaysia’s population). 90% of PIOs

speak Tamil and the rest speak Telugu, Malayalam, Punjabi, Bengali, Gujarati, Marathi, etc. There are approx. **185,000 NRIs** both skilled and unskilled in Malaysia. Illegal Immigration, exploitation at workplaces, exploitation of Indian seafarers, repatriation of workers, and human trafficking from India into Malaysia are major concerns to the two Governments.

- Malaysia has been sending the largest contingent to the Pravasi Bharatiya Divas. The **largest ever Malaysian contingent (around 527)** led by Tan Sri SA Vigneswaran, the current President of Malaysian Indian Congress (MIC) and Special Envoy of PM for South Asia participated in **PBD Convention** in Varanasi in **January 2019**. A 150 member contingent from Malaysia visited Indore to take part in the 17th PBD Convention.

Tourism and Civil Aviation Sector Cooperation

- India is the 5th largest source country for inbound tourism to Malaysia. The Government of Malaysia announced visa-free travel for Indian Nationals from 01 December 2023 until 31 December 2024 to promote inbound tourism to Malaysia whereas India has allowed Malaysian nationals to travel to India for tourism on a gratis 30 day double entry tourist visa since 1 July 2024. There are **211 flights (as of May 2024)** being operated weekly between India and Malaysia, from Kuala Lumpur to 11 destinations in India.

Assistance to Indians during COVID-19 and Vande Bharat Mission

- Malaysia was amongst the first few countries included into the Vande Bharat Mission Phase 1 in May 2020. Till the closure of the Vande Bharat Mission in March 2022, around 1,10,000 Indians nationals were repatriated from Malaysia by over 670 flights under Vande Bharat Mission. The Malaysian government

operated two chartered flights to Chennai and Amritsar at its cost to send back **367 Indian detainees** on 11 July 2020.

30 July 2024