

## COUNTRY PROFILE REPORT OF ITJ DIVISION, DGCI&S INDIA- SAUDI ARABIA BILATERAL TRADE RELATIONS

### INTRODUCTION & BRIEF ECONOMIC OVERVIEW

1. The Kingdom of Saudi Arabia occupies about four-fifths of the Arabian Peninsula, in south-western Asia. It is bordered by Jordan, Iraq and Kuwait to the north, by Yemen to the south, by Oman to the south and east, and by Qatar and the United Arab Emirates to the north-east. Saudi Arabia has a long western coast line on Red Sea, facing Egypt, Sudan and Eritrea, and a shorter coast line (between Kuwait and Qatar) on the Persian (Arabian) Gulf, with the Bahrain archipelago just off shore and Iran on the opposite coast. Saudi Arabia is a member of the UN, G20, and OPEC.

2. Saudi Arabia has the second largest economy in the Middle East (after Turkey), the largest in the Arab world, and the 18th largest in the world. It has the world's second-largest proven reserves of petroleum, of which it is third largest producer and the largest exporter; the country also has the sixth-largest proven natural gas reserves. Saudi Arabia is considered an energy superpower. As per available report of the International Monetary Fund (IMF), Saudi Arabia has shown strong resilience to external shocks, as its economic diversification advances. In 2024, non-oil real GDP grew by 4.5 percent, driven by retail, hospitality, and construction, while OPEC+ production cuts held oil output at 9 million barrels per day, causing a 4.4 percent decline in oil GDP and moderating overall growth to 2.0 percent. Inflation remained contained, with housing rent increases continuing to decelerate. Unemployment among Saudi nationals hit a record low, with youth and female unemployment rates halved over four years. The current account shifted to a 0.5% of GDP deficit from a 2.9 percent of GDP surplus in 2023, increasingly financed by external borrowing and reduced foreign asset accumulation. Despite these shifts, Saudi Central Bank's net foreign assets stabilized at USD 415 billion, covering 187 percent of the IMF's reserve adequacy metric".

A snapshot of Saudi Arabia's selected economic indicators is presented in **Table 1**

**TABLE -1**

**Saudi Arabia: Selected Economic Indicators, 2024–26**

	2024	Proj. 2025	Proj. 2026
<b>Output</b>			
Real GDP growth	2.0	3.6	3.9
Non-oil GDP growth	4.5	3.4	3.5
<b>Prices</b>			
CPI Inflation (avg, %)	1.7	2.1	2.0
<b>Central government finances</b>			
Revenue (% GDP)	27.1	24.1	24.0
Expenditure (% GDP)	29.6	28.1	27.9
Fiscal balance (% GDP)	-2.5	-4.0	-3.9
Public debt (% GDP)	26.2	29.8	32.6
Non-exported oil primary balance (% Nonoil GDP)	-24.7	-21.1	-20.3
<b>Money and credit</b>			
Broad money (% change)	8.8	9.3	8.2

Credit to the private sector (% change)	13.4	12.4	8.9
<b>Balance of payments</b>			
Current account (% GDP)	-0.5	-2.6	-3.0
FDI (% GDP)	1.6	1.6	1.6
Reserves (months imports) <sup>1</sup>	14.9	14.1	13.3
External debt (% GDP)	30.1	34.8	38.1
<b>Exchange rate</b>			
REER (% change) <sup>2</sup>	2.4	3.0	...
<b>Unemployment rate</b>			
Overall (% total labor force)	3.5	...	...
Nationals (% total labor force)		7.4	...
Sources: Country authorities and IMF staff estimates and projections.			
<sup>1</sup> Imports of goods and services.			
<sup>2</sup> For 2025, data is latest available			

## FOREIGN TRADE

3. As per recent available inputs on WITS (World Integrated Trade Solution), the four major merchandise export partners of Saudi Arabia are UAE, China, India and Egypt. On the other hand four major import partners of Saudi Arabia are China, United States, UAE and India. Major five exported goods of Saudi Arabia are (i) Petroleum oils and oils obtained from bituminous, (ii) Petroleum oils, etc, (excl. crude); preparation, (iii) Polypropylene, in primary forms, (iv) Polyethylene having a specific gravity <0.94, and (v) Polyethylene having a specific gravity  $\geq 0.94$ . On the other hand major five imported goods are (i) Petroleum oils, etc, (excl. crude); preparation, (ii) Transmission apparatus, for radioteleph incorpo, (iii) Automobiles with reciprocating piston engine, (iv) Automobiles with reciprocating piston engine and (v) Gold in unwrought forms non-monetary.

4. Saudi Arabia's total exports in 2020 were USD 173,854 million and it was USD 305,499 million in 2024 with dips recorded in 2023, 2024 and picked up by 58.86% in 2021 followed by another increase of 48.88% in 2022 compared to their respective previous year. During the period from 2020 to 2024, the annual average compound rate of growth of exports was 15.13%.

5. Saudi Arabia's total imports in 2020 were of the order of USD 137982 million and which touched USD 232806 million mark in 2024. During the period from 2020 to 2024, the annual average compound rate of growth of Imports was 13.97%.

6. Saudi Arabia runs an overall Balance of Trade surplus from 2020 to 2024 which was quite significant to the tune of USD 221319 million in 2022. During the period from 2020 to 2024, the annual average compound rate of growth of total volume of trade was 14.62%.

A snapshot of Saudi Arabia's overall Trade Statistics is presented in Table 2 & Figure 1

**TABLE - 2**

**SAUDI ARABIA'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE AND BALANCE OF TRADE BETWEEN 2020 TO 2024**

(Figures in USD Million)

Year	Exports	Percentage Growth in Exports	Imports	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2020	173854		137982		3,11,836		35872
2021	276179	58.86	152695	10.66	4,28,874	37.53	123484
2022	411184	48.88	189865	24.34	6,01,049	40.15	221319
2023	320018	-22.17	206940	8.99	5,26,958	-12.33	113078
2024	305499	-4.54	232806	12.50	5,38,305	2.15	72693

**Annual Compound Growth Rate**

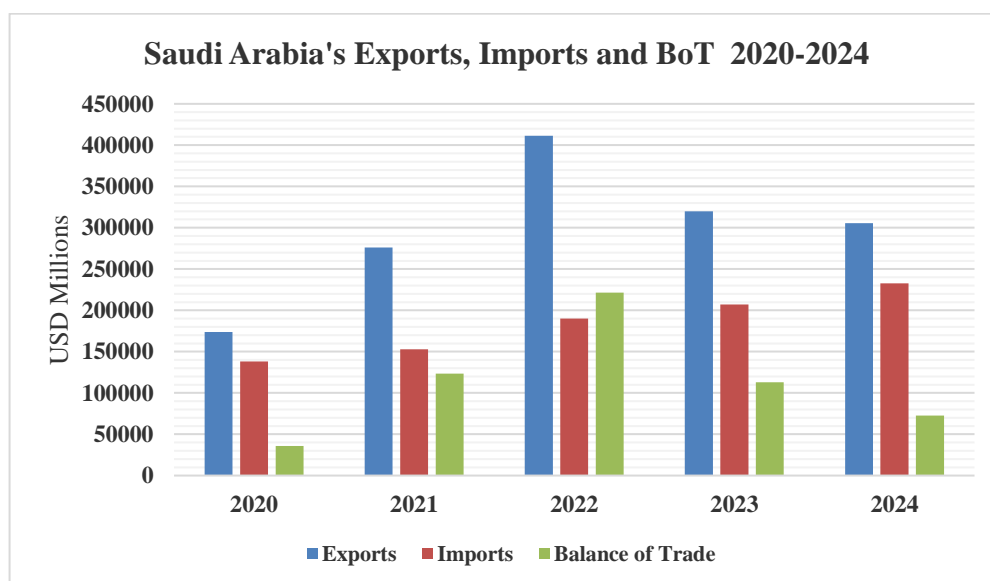
**15.13**

**13.97**

**14.62**

**NOTE** : Figures relate to calendar year (January to December )  
**SOURCE** : DGCI&S, M/o C&I

**FIGURE - 1**



## BILATERAL TRADE WITH INDIA

### Merchandise Trade

7. India and Saudi Arabia have a strong and growing bilateral trade relationship. In recent years, total trade between the two countries has reached around USD 43 billion, with India importing significantly more than it exports to Saudi Arabia. Saudi Arabia is a key supplier of crude oil to India, while India exports various goods including engineering goods, rice, and chemicals. India's export to Saudi Arabia was 2.69% of India's total export value in FY 2024-25 and in the same financial year imports from Saudi Arabia was 7.42% of India's total import value. Saudi Arabia was the 5th largest trading partner of India in FY 2024-25. Almost 4.80% of India's international trade value was between India and Saudi Arabia as recorded in FY 2024-25 in DGCI&S data base.

8. Indo- Saudi Arabia total volume of bilateral trade in FY 2020-21 was of the order of USD 22,043.37 million. It increased to USD 64,892.48 million in FY 2024-25. The annual compound growth rate of volume of trade during the period from 2020-21 to 2024-25 was of the order of 30.99%.

9. It appears from the available figures that between 2020-21 and 2024-25, India had a deficit Balance of Trade with Saudi Arabia. Exports from India to Saudi Arabia increased steeply 49.56% in FY 2021-22 followed by 22.48% hike in FY 2022-23. The annual average compound rate of growth of Exports was 19.03%. On the other hand, imports from Saudi Arabia to India increased by 110.67% in FY 2021-22 over FY 2020-21. During the period from 2020-21 to 2024-25, the annual average compound rate of growth of Imports was 34.60%.

A snapshot of India's merchandise trade statistics w.r.t. Saudi Arabia is presented in **Table 3 & Figure 2**.

**TABLE - 3**  
**INDIA'S MERCHANDISE EXPORTS & IMPORTS w.r.t. SAUDI ARABIA**  
**FY 2020-2021 to 2024-2025**

(Value in USD Million)

Year	Exports from India to Saudi Arabia	Percentage Growth in Exports	Imports from Saudi Arabia to India	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2020-21	5856.61		16186.76		22043.37		-10330.15
2021-22	8758.95	49.56	34100.58	110.67	42859.53	94.43	-25341.63
2022-23	10727.67	22.48	42035.27	23.27	52762.94	23.11	-31307.60
2023-24	9841.55	-8.26	31806.53	-24.33	41648.08	-21.07	-21964.98
2024-25	11756.23	19.46	53136.25	67.06	64892.48	55.81	-41380.02

**Annual  
Compound  
Growth Rate**

**19.03**

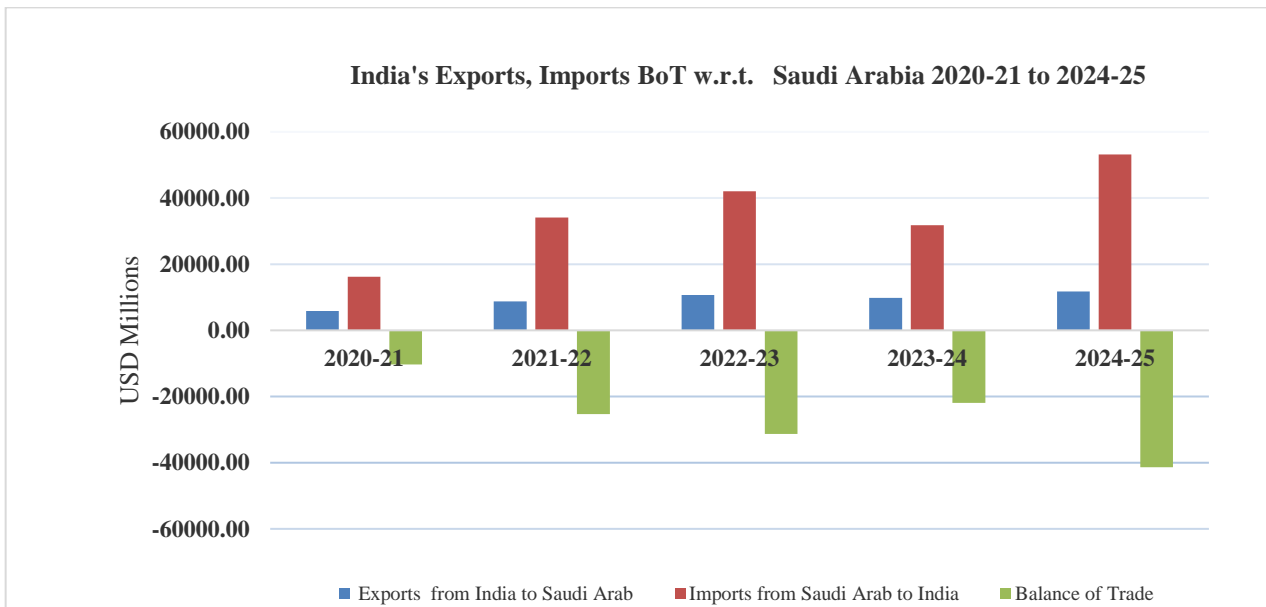
**34.60**

**30.99**

**NOTE** : Figures relate to Financial Year (April to March)

**SOURCE** : DGCI&S, M/o C&I

FIGURE-2



10. Additionally, from Tables 4 & 5 presented below the following are stated:

- a. **Motor Vehicle/Cars, Rice Basmati and Aircraft, Spacecraft and Parts** are occupying the top three slots in India's exports to Saudi Arabia in the year 2024-25. **Motor Vehicle/Cars** occupying the bulk share (13.04%).
- b. **Petroleum Crude; Petroleum Products and Fertilizers Manufactured** are the three major commodities in India's import list from Saudi Arabia in the year 2024-25. Petroleum; Crude occupying the bulk share (75.63%).

**TABLE - 4**

**INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO SAUDI ARABIA  
2020-2021 TO 2024-2025 AND THEIR GROWTH RATES**

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
<b>1</b>	<b>Motor Vehicle/Cars</b>	<b>509.46</b>	<b>572.90</b>	<b>1010.41</b>	<b>1612.15</b>	<b>1532.55</b>	<b>12.45</b>	<b>76.37</b>	<b>59.55</b>	<b>-4.94</b>
	Share in total export	8.70	6.54	9.42	16.38	13.04				
<b>2</b>	<b>Rice - Basmati</b>	<b>951.99</b>	<b>646.22</b>	<b>1036.72</b>	<b>1254.56</b>	<b>1203.77</b>	<b>-32.12</b>	<b>60.43</b>	<b>21.01</b>	<b>-4.05</b>
	Share in total export	16.25	7.38	9.66	12.75	10.24				
<b>3</b>	<b>Aircraft, Spacecraft and Parts</b>	<b>0.04</b>	<b>0.24</b>	<b>1.63</b>	<b>441.17</b>	<b>1114.80</b>	<b>500.00</b>	<b>579.17</b>	<b>26965.64</b>	<b>152.69</b>
	Share in total export	0.00	0.00	0.02	4.48	9.48				
<b>4</b>	<b>Organic Chemicals</b>	<b>453.59</b>	<b>1019.78</b>	<b>995.62</b>	<b>816.80</b>	<b>718.19</b>	<b>124.82</b>	<b>-2.37</b>	<b>-17.96</b>	<b>-12.07</b>
	Share in total export	7.74	11.64	9.28	8.30	6.11				
<b>5</b>	<b>Products of Iron and Steel</b>	<b>246.03</b>	<b>204.50</b>	<b>294.37</b>	<b>542.29</b>	<b>561.91</b>	<b>-16.88</b>	<b>43.95</b>	<b>84.22</b>	<b>3.62</b>
	Share in total export	4.20	2.33	2.74	5.51	4.78				
<b>6</b>	<b>Copper, Products Made of Copper</b>	<b>33.11</b>	<b>53.36</b>	<b>293.04</b>	<b>879.76</b>	<b>554.66</b>	<b>61.16</b>	<b>449.18</b>	<b>200.22</b>	<b>-36.95</b>
	Share in total export	0.57	0.61	2.73	8.94	4.72				
<b>7</b>	<b>Petroleum Products</b>	<b>479.14</b>	<b>2442.78</b>	<b>1933.34</b>	<b>883.70</b>	<b>450.26</b>	<b>409.83</b>	<b>-20.85</b>	<b>-54.29</b>	<b>-49.05</b>
	Share in total export	8.18	27.89	18.02	8.98	3.83				
<b>8</b>	<b>Buffalo Meat</b>	<b>108.22</b>	<b>158.00</b>	<b>193.11</b>	<b>274.23</b>	<b>317.61</b>	<b>46.00</b>	<b>22.22</b>	<b>42.01</b>	<b>15.82</b>
	Share in total export	1.85	1.80	1.80	2.79	2.70				
<b>9</b>	<b>Ind. Machinery For Dairy Etc.</b>	<b>85.87</b>	<b>99.14</b>	<b>206.78</b>	<b>186.61</b>	<b>270.85</b>	<b>15.45</b>	<b>108.57</b>	<b>-9.75</b>	<b>45.14</b>
	Share in total export	1.47	1.13	1.93	1.90	2.30				
<b>10</b>	<b>Telecom Instruments</b>	<b>7.77</b>	<b>15.45</b>	<b>308.92</b>	<b>294.87</b>	<b>243.35</b>	<b>98.84</b>	<b>1899.48</b>	<b>-4.55</b>	<b>-17.47</b>
	Share in total export	0.13	0.18	2.88	3.00	2.07				
	<b>Total exports to SAUDI ARABIA</b>	<b>5856.61</b>	<b>8758.95</b>	<b>10727.67</b>	<b>9841.55</b>	<b>11756.23</b>	<b>49.56</b>	<b>22.48</b>	<b>-8.26</b>	<b>19.46</b>

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCIS, M/o C&I

**TABLE – 5****INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORTS FROM SAUDI ARABIA  
2020-2021 TO 2024-2025 AND THEIR GROWTH RATES****(Value in USD Million)**

Sl. No.	Name of the Merchandise Commodities	Value of Import					Annual Growth Rates			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
<b>1</b>	<b>Petroleum Crude</b>	<b>10753.16</b>	<b>22869.27</b>	<b>29077.41</b>	<b>22083.42</b>	<b>40188.31</b>	<b>112.67</b>	<b>27.15</b>	<b>-24.05</b>	<b>81.98</b>
	Share in total import	66.43	67.06	69.17	69.43	75.63				
<b>2</b>	<b>Petroleum Products</b>	<b>2245.84</b>	<b>4735.71</b>	<b>4120.24</b>	<b>2778.71</b>	<b>5782.79</b>	<b>110.87</b>	<b>-13.00</b>	<b>-32.56</b>	<b>108.11</b>
	Share in total import	13.87	13.89	9.80	8.74	10.88				
<b>3</b>	<b>Fertilizers Manufactured</b>	<b>771.17</b>	<b>1894.58</b>	<b>2292.87</b>	<b>1115.68</b>	<b>1477.16</b>	<b>145.68</b>	<b>21.02</b>	<b>-51.34</b>	<b>32.40</b>
	Share in total import	4.76	5.56	5.45	3.51	2.78				
<b>4</b>	<b>Organic Chemicals</b>	<b>559.93</b>	<b>1411.70</b>	<b>1325.53</b>	<b>943.71</b>	<b>1084.62</b>	<b>152.12</b>	<b>-6.10</b>	<b>-28.81</b>	<b>14.93</b>
	Share in total import	3.46	4.14	3.15	2.97	2.04				
<b>5</b>	<b>Plastic Raw Materials</b>	<b>596.77</b>	<b>895.23</b>	<b>1363.23</b>	<b>1091.15</b>	<b>1031.39</b>	<b>50.01</b>	<b>52.28</b>	<b>-19.96</b>	<b>-5.48</b>
	Share in total import	3.69	2.63	3.24	3.43	1.94				
<b>6</b>	<b>Aircraft, Spacecraft and Parts</b>			<b>956.42</b>	<b>1361.16</b>	<b>840.24</b>			<b>42.32</b>	<b>-38.27</b>
	Share in total import			2.28	4.28	1.58				
<b>7</b>	<b>Gold</b>		<b>108.29</b>	<b>177.43</b>	<b>497.65</b>	<b>459.77</b>		<b>63.85</b>	<b>180.48</b>	<b>-7.61</b>
	Share in total import		0.32	0.42	1.56	0.87				
<b>8</b>	<b>Inorganic Chemicals</b>	<b>195.14</b>	<b>389.60</b>	<b>881.19</b>	<b>382.65</b>	<b>410.63</b>	<b>99.65</b>	<b>126.18</b>	<b>-56.58</b>	<b>7.31</b>
	Share in total import	1.21	1.14	2.10	1.20	0.77				
<b>9</b>	<b>Aluminium, Products of Aluminium</b>	<b>221.72</b>	<b>393.58</b>	<b>406.62</b>	<b>322.97</b>	<b>406.24</b>	<b>77.51</b>	<b>3.31</b>	<b>-20.57</b>	<b>25.78</b>
	Share in total import	1.37	1.15	0.97	1.02	0.76				
<b>10</b>	<b>Copper and Products Made of Copper</b>	<b>130.21</b>	<b>149.80</b>	<b>253.93</b>	<b>291.12</b>	<b>349.85</b>	<b>15.04</b>	<b>69.51</b>	<b>14.65</b>	<b>20.17</b>
	Share in total import	0.80	0.44	0.60	0.92	0.66				
	<b>Total import from SAUDI ARABIA</b>	<b>16186.76</b>	<b>34100.58</b>	<b>42035.27</b>	<b>31806.53</b>	<b>53136.25</b>	<b>110.67</b>	<b>23.27</b>	<b>-24.33</b>	<b>67.06</b>

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&amp;S, M/o C&amp;I

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