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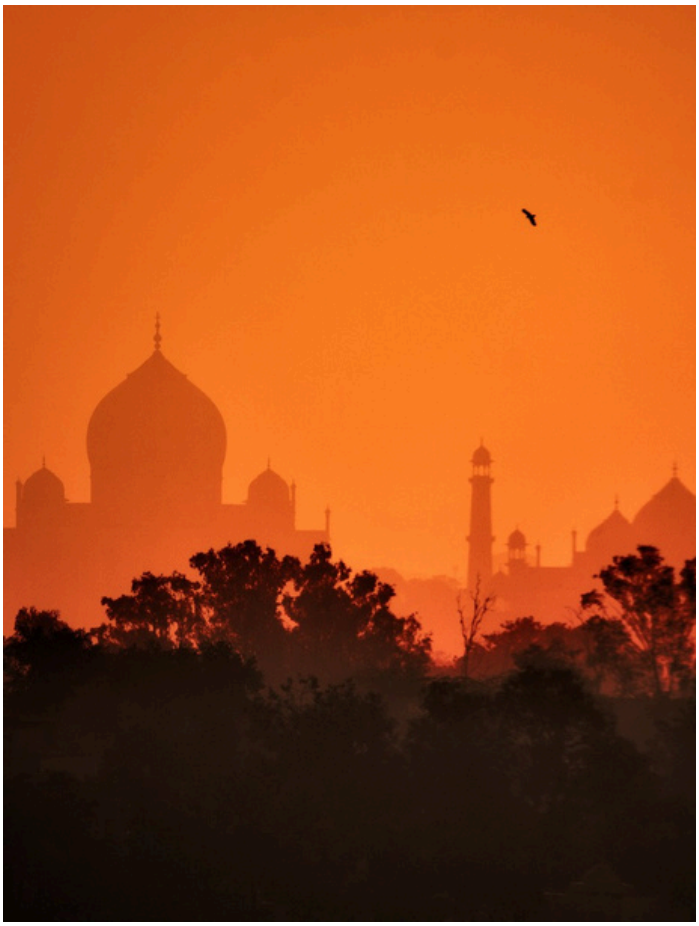


BILATERAL RELATIONS

INDIA - PORTUGAL

INTRODUCTION

Relations between India and Portugal began amicably after India's independence in 1947, with formal diplomatic ties established in 1949. However, relations deteriorated after 1950 over Lisbon's refusal to decolonize Goa, Daman and Diu, and Dadra and Nagar Haveli. Ties were severed in 1955, culminating in India's liberation of these territories in December 1961. Following Portugal's 1974 Carnation Revolution, Lisbon recognized Indian sovereignty and restored diplomatic relations. Having marked 50 years of renewed ties in 2025, both nations today enjoy a dynamic partnership spanning trade, technology, renewable energy, and India–EU cooperation.





BACKGROUND

Prior to Indian independence Portugal's relations with the British Indian Empire were derived from those with the United Kingdom, set within the framework of the Anglo-Portuguese Treaty of 1373.This treaty, signed between King Edward III of England and Ferdinand I and Queen Eleanor of Portugal, established "perpetual friendships, unions [and] alliances" between the two seafaring nations and is the world's oldest active treaty. This led to amicable relations—especially with regard to trade and transport between British and Portuguese colonies in the India.

Commencement of relations: 1947–1950

Relations between Portugal and the Indian Union were quite cordial in 1947, particularly in light of Portuguese willingness to terminate the old Padroado treaty with the Holy See, which had traditionally given the Archbishop of Goa 'patriarchal' authority over other parts of India. On 12 August 1948, India and Portugal exchanged diplomatic missions.

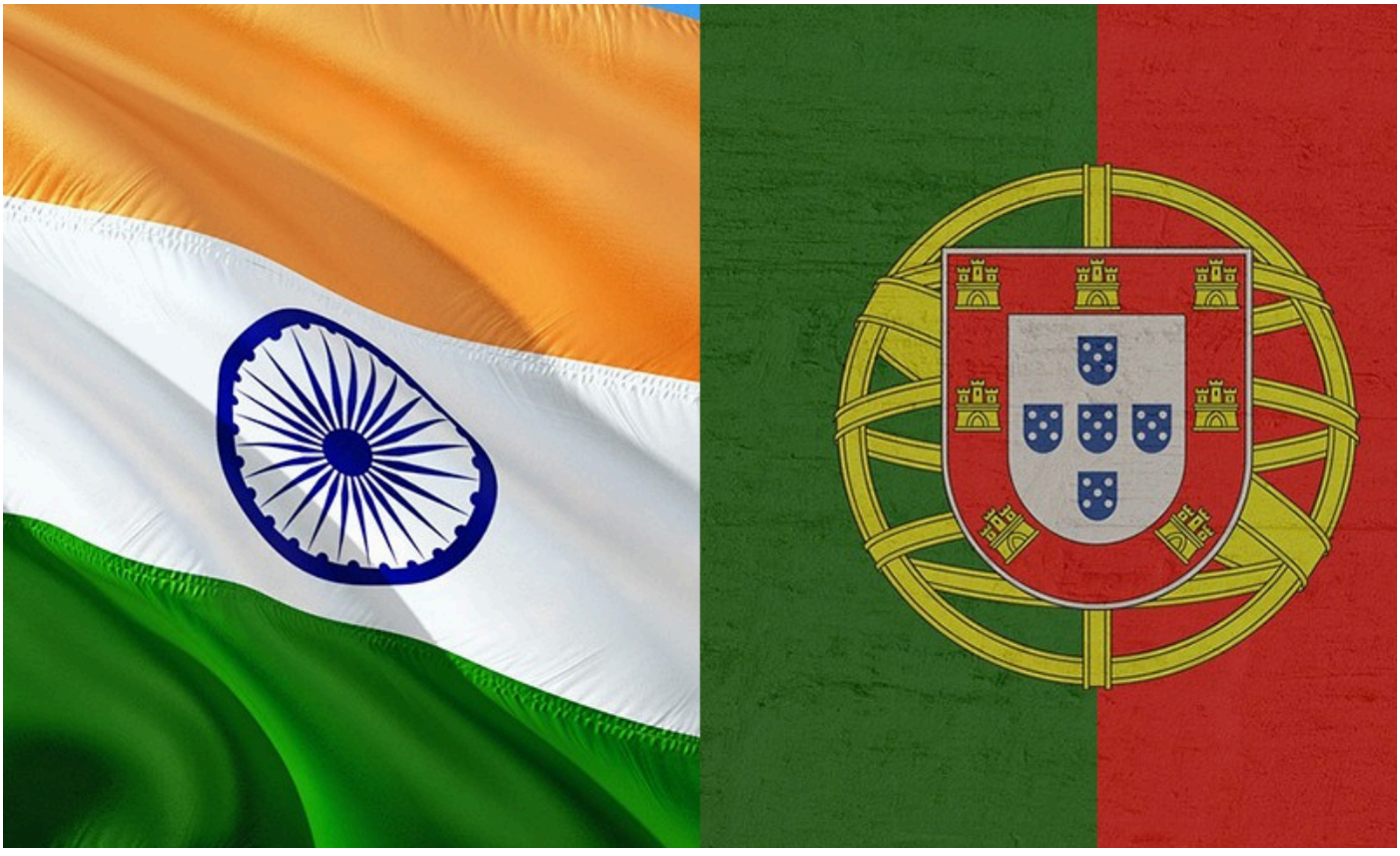
Goa dispute: 1950–61

As of the creation of the Republic of India in January 1950, Portugal held a handful of territories on the Indian subcontinent—the districts of Goa, Daman and Diu and Dadra and Nagar Haveli—collectively known as the Estado da India. Goa, Daman, and Diu covered an area of around 4,000 square kilometres (1,540 square miles) and had a population of 637,591. The Goan diaspora was estimated at 175,000 (about 100,000 within the Indian Union). Its religious distribution was 61% Hindu, 36.7% Christian (mostly Catholic), 2.2% Muslim. The economy was primarily based on agriculture, although the 1940s and 1950s saw a boom in mining—principally iron ore and some manganese. Portugal's steadfast refusal to cede these territories caused relations with India to decline. Armed conflict commenced in December 1961.



AFTERMATH

India’s liberation of Goa, Daman, and Diu in December 1961 met with mixed international reactions, while Lisbon refused to recognize Indian sovereignty until after António de Oliveira Salazar’s death in 1970 and the 1974 Carnation Revolution. Following Portugal’s transition to democracy, both nations signed a landmark treaty in New Delhi on 31 December 1974, formally restoring diplomatic relations. Embassies reopened in Lisbon and New Delhi in June and July 1975, respectively. Institutional cooperation began with the 1977 bilateral Agreement on Trade, Economic, Industrial and Technical Cooperation, whose Joint Committee first met in November 1981. However, domestic political instability in Portugal kept bilateral engagement at a low ebb until the Social Democratic Party (PSD) secured an absolute majority in 1987, ushering in an era of sustained stability that gradually paved the way for closer bilateral ties.



INCREASING DIPLOMATIC CONTACTS

High-level political exchanges gained momentum with Mário Soares's visits to New Delhi as Prime Minister in 1984 and as President—and Republic Day Chief Guest—in 1992. Indian Presidents R. Venkataraman (1990) and K. R. Narayanan (1998) paid State Visits to Portugal, followed by Prime Minister Atal Bihari Vajpayee for the first India–EU Summit in Lisbon in June 2000. Portuguese President Aníbal Cavaco Silva and Prime Minister José Sócrates visited India in January and December 2007, respectively.

Bilateral engagement accelerated significantly with Prime Minister António Costa's visits to India in January 2017 and December 2019, and Prime Minister Narendra Modi's historic standalone bilateral visit to Lisbon in June 2017. Portuguese President Marcelo Rebelo de Sousa paid a four-day State Visit to India in February 2020. Marking 50 years of restored diplomatic relations in April 2025, President Droupadi Murmu paid a landmark State Visit to Portugal—the first by an Indian President in 27 years.

Parliamentary exchanges commenced in December 1999 with a delegation led by Portuguese Speaker António de Almeida Santos. Subsequent exchanges included Speaker João Bosco Mota Amaral's visit for India's Parliament Golden Jubilee in January 2003, Lok Sabha Speaker Manohar Joshi's visit to Lisbon in May 2003, Parliamentary Affairs Minister Priya Ranjan Dasmunshi's goodwill delegation in November 2007, and a Lok Sabha Speaker-led visit in 2025.

Key ministerial interactions included visits by Secretary of State João Cravinho (2006), Minister of State Anand Sharma (2007), Foreign Minister Luís Amado (2008), Minister of State Shashi Tharoor (2009), External Affairs Minister S. Jaishankar (2023), and Finance Minister Nirmala Sitharaman (2025).

TREATIES AND AGREEMENTS

In 1997 India and Portugal split the 1977 agreement into two separate segments— one providing economic and industrial cooperation (signed at Lisbon in April 2000) and the other providing cooperation in science and technology (signed in December 1998). Another Agreement providing for avoidance of double taxation was signed in September 1998. Both these agreements had since entered into force with the completion of ratification procedures.

A Cooperation Agreement was signed in January 1992, between the Federation of Indian Chambers of Commerce and Industry (FICCI) and the Portuguese Institute for Foreign Trade and Investment (ICEP). A Joint Business Council established under this agreement met in 1993, 1995 and 1997. A Cooperation Agreement between Confederation of Indian Industry (CII) and the Portuguese Association of Industries (AIP) was signed in July 1995. A Bilateral Investment Promotion and Protection Agreement (BIPPA) and an Agreement setting up a Joint Working Group on Information Technology were signed in June 2000.The following agreements were signed in January 2007:

- Cultural Exchange Programme (2007–2010)
- Exchange Programme in the fields of Education, Language, Science, Technology and Higher Education (2007–2010)
- Overarching Agreement in the field of Education, Science, Culture, Sports, Youth and Mass Media (2007–2010)
- Extradition Treaty



TRADE AND ECONOMIC RELATIONS

Indo-Portuguese bilateral trade grew from US$69 million in 1991 to US$289.52 million in 2005. India's exports constituted over 70% of the turnover.

Indian exports consisted principally of marine products, cotton and synthetic textiles, leather, footwear, hides and skins, staple fibres, coffee, tea & spices. In the twenty-first century exports diversified to include items such as carpets, gems and jewellery, silk and silk products, tobacco, electrical machinery & parts, iron & steel products, dyeing & tanning products, and organic chemicals. Automobile spares and components, computer software, bicycles, scooters and other two wheelers, and rice have also been exported. Portuguese exports to India were mostly machinery and heavy equipment (44% in 2006)[39] with the remainder consisting mainly of cork and cork products, pulp and paper products, organic chemicals and plastics.

Following President Venkataraman's 1990 visit, an agreement was reached about the gold ornaments taken away from Goa by the Banco Nacional Ultramarino in 1961. These ornaments, deposited by the people of Goa in the Banco Nacional Ultramarino during Portuguese rule, were returned to the Indian government during the visit of Indian Minister of State for External Affairs, Eduardo Faleiro in July 1991.



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