

**Talking points by Mr Anatoly Kargapolov, Charge d’Affairs of Russia in  
India, at the Roundtable on Russian-Indian Cooperation  
(Habitat Centre, April 6<sup>th</sup>, 2017)**

Dear friends,

It gives me an immense pleasure to be present here and be able to share views on the current state and prospects of relations between our two friendly nations. This year marks the 70<sup>th</sup> anniversary of establishment of Russian-Indian diplomatic relations, and since 1947 our ties have been on a steady uprise evolving into a special and privileged strategic partnership.

1) The year of 2000 was an important milestone as Moscow and New Delhi signed the historic Declaration on Strategic Partnership and established the mechanism of annual summits. The meeting of the leaders of Russia and India is not just a routine event or sheer homage to tradition – each summit is meaningful and substantial, with a vast agenda that embraces the entire scope of our interaction.

2) 2016 saw an unprecedented intensity of high level visits and contacts. Vladimir Putin and Narendra Modi had a meeting on the sidelines of the SCO Summit in Tashkent last June. The bilateral summit and the BRICS summit in Goa were the most eminent events of the past year. Mr Dmitry Rogozin, Deputy Prime Minister of Russia, visited India thrice to prepare and co-chair the Russian-Indian Intergovernmental Commission, which met on September 13, 2016 in New Delhi.

3) The military and military-technical sphere remains our top priority. During the bilateral summit in Goa Russia and India signed the agreements on S-400 air defense systems, *Krivak* class (Project 1135.6) stealth frigates and Ka-226T helicopters. Our cooperation goes in line with the “Make in India” programme as we are ready to create joint ventures and transfer technologies. The well-known example is the joint venture BrahMos which designs and manufactures top-notch missiles for the Indian Armed Forces. Our companies actively participate in the modernization of Russian-origin armaments produced in India, namely Su-30 MKI fighters and T-90M battle tanks.

4) Well-established contacts between Russian and Indian militaries also include regular joint land, naval and air exercises such as the recent INDRA exercises held in September 2016 in Russia's Far East.

5) Another crucial domain is cooperation in nuclear energy. The flagship NPP Kudankulam project is steadily progressing. The first unit reached full capacity in July 2014. The second unit that was connected to India's national power grid in August 2016 and reached full capacity in January 2017 is now ready for commercial operations. Construction of Units 3 and 4 is currently underway. Agreements on Units 5 and 6 are in the pipeline. Our countries are also negotiating the second site to construct six more nuclear power units with a capacity of 1,200 MW each. All these steps go in line with the Strategic Vision of Russian-Indian Cooperation in Peaceful Nuclear Power Use of 2014 that sets the goal to jointly construct at least 12 power units over a period of 20 years.

6) We successfully cooperate in the oil and gas sector. In October 2016 the consortium of Indian companies (ONGC Videsh Ltd., Oil India Ltd., Indian Oil Corporation & Bharat Petroresources Ltd.) purchased 49.9% in Vankorneft and 29.9% in Taas-Yuryakh Neftegazodobycha in Yakutia, with the total volume of investments being 5 bln USD. The Rosneft-led consortium is finalizing the deal on the acquisition of 98%-share of Indian refiner Essar Oil which will be closed within a few weeks. Our companies are cooperating in offshore oil projects, exploration and transportation of hydrocarbons.

7) It is important to mention our growing cooperation in the diamond industry. Russia is the largest diamond producer in the world with 27% of global extraction, while India is the leader in cutting diamonds with 65% of the trade. A strong impetus in this sector were given by the recent visit of Deputy Chairman of the Russian Government Mr Yury Trutnev to India in March. Following his negotiations with the Bharat Diamonds Bourse it was agreed to set up an Indian-Russian joint venture to extract diamonds at India's largest discovered mine, which contains 34 million carats (worth 3.5 bln USD). Companies from the Bharat Diamonds Bourse are ready to invest 500 mln USD in the joint venture. The KGK

Group of India is to open a diamond-cutting enterprise in the Vladivostok Free Port zone.

8) Investment is another promising area of our cooperation. Our sides are working on Russian-Indian investment fund to finance major infrastructure projects. Special emphasis is given to promotion of Russian investments in India through major infrastructure projects like Smart Cities and Transport Corridors, as well as in telecom, power and road construction. The participation of India in the XX Saint Petersburg International Economic Forum and in “INNOPROM-2016” International Trade Fair in Yekaterinburg as a partner country was another proof of mutual interest in developing economic and investment cooperation.

9) There are opportunities galore in other spheres, like aircraft building, railways, engineering, automotive industry, metallurgy, pharmaceuticals, chemical industry – just to name a few.

10) We yet to achieve the ambitious goal to reach 30 bln USD in bilateral trade turnover of goods and services by the year 2025 as declared by the leaders of our countries. A good progress has been made to achieve the set target of mutual investments of 15 bln USD due to our mega deals in the oil and gas sector.

11) Development of interregional ties has become a matter of special attention from both sides. Strengthening of multifaceted cooperation between Russian regions and Indian states is viewed as a priority. Partnerships between Moscow and New Delhi, St.Petersburg and Mumbai, Kazan and Hyderabad, Astrakhan and Gujarat, Samara and Karnataka, just to name a few, constitute a solid basis for expanding economic cooperation. We invite our Indian partners to enhance their presence in the Far East of Russia and to use the untapped potential of the region rich in resources such as timber, tin, gold, diamonds, and oil and natural gas.