



WORKING PAPER

100 POSTULATES ON RUSSIA-INDIA RELATIONS

29 / 2016

RUSSIAN INTERNATIONAL AFFAIRS COUNCIL

MOSCOW 2016

Russian International Affairs Council

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Authors:

I.E. Denisov; **O.A. Popadyuk**, Ph.D. in Law

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100 Postulates on Russia–India Relations: Working Paper No. 29 / 2016 / [I.E. Denisov, O.A. Popadyuk]; [I.S. Ivanov (Editor-in-Chief)]; Russian International Affairs Council (RIAC). – Moscow: NPMP RIAC, 2016. – 40 pages. – Authors and editors are listed on reverse of the title page.

ISBN 978–5–9908499–2–1

The Working Paper was prepared by the Russian International Affairs Council (RIAC) as part of the “Russia–India: Toward a New Bilateral Agenda” project. The purpose of the Paper is to identify the prospects and offer recommendations for developing Russia–India relations. The publication takes the form of postulates that deal with the full spectrum of relations between the two countries and their overlapping interests in regional and global politics.

The authors and editors thank the following persons for their expert opinions on the subjects discussed in the Working Paper: V.I. Trubnikov, Member of the Board of Directors of the Primakov Institute of World Economy and International Relations of the Russian Academy of Sciences (IMEMO RAS), Vice President of RIAC; G.A. Ivashentsov, Member of the Supervisory Board of Russian APEC Study Center at RANEPa, Member of RIAC; M.A. Konarovsy, Leading Research Fellow of the Institute of International Studies at MGIMO–University, Member of RIAC; A.G. Volodin, Chief Research Fellow at IMEMO RAS; B.M. Volkhonsky, Head of the Asia Sector of the Centre for Asia and the Middle East at Russian Institute for Strategic Studies; Y. A. Dubinin, Professor at MGIMO–University; G.D. Toloraya, Executive Director of BRICS National Research Committee; V.F. Pryakhin, Professor at Russian State University for the Humanities; V.A. Kuznetsov, Head of the Centre for Arab and Islamic Studies at the Institute of Oriental Studies of the Russian Academy of Sciences; V.I. Sazhin, Senior Research Fellow at the Institute of Oriental Studies of the Russian Academy of Sciences; V.V. Panova, Director of the Institute of Oriental Studies – School of Regional and International Studies at the Far Eastern Federal University; V.B. Kashin, Leading Research Fellow at the Institute of Far Eastern Studies of the Russian Academy of Sciences.

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TABLE OF CONTENTS

Introduction	4
1. Russia and India on the International Arena	6
1.1. Key Foreign Policy Results of the Narendra Modi Administration	6
1.2. Russian and Indian Positions on Shaping a New Architecture of International Relations	8
1.3. Interaction on Regional Problems	10
1.4. Searching for Common Approaches to the Nuclear Non-Proliferation	13
2. Russia and India: Toward a New Agenda in Economic and Trade Relations	14
2.1. The Economic Programme of the Modi Government	14
2.2. Problems and Prospects of Bilateral Trade and Economic Relations	16
3. Russia-India Relations: Toward a New Agenda in Military-Technical Cooperation	26
3.1. Key Features of India's Arms and Military Equipment Market	26
3.2. State, Problems and Prospects of Russia-India Military-Technical Cooperation	28
4. Problems of Russia-India Educational, Scientific and Cultural Cooperation	31
4.1. Improving Russia's Image in India: Opportunities and Problems	31
4.2. Russian and Indian Media: Toward a New Quality of Cooperation	32
4.3. Education, Academic and Cultural Exchanges	34
Conclusions and Recommendations	36
About the Authors	39

Introduction

By 2016, Russia found itself in a completely new foreign policy reality. Both external and internal factors have brought the country into a difficult economic situation, and negative trends in Russia's relations with the West have defined the task of qualitatively diversifying external ties. The main focus of this re-orientation is on Russia's strategic partners in Asia, above all China. As Russia's new Asian policy takes on greater conceptual depth, new outlines of Russia's interaction with Japan and the Association of Southeast Asian Nations (ASEAN) countries also take shape. And it is only with regard to India that comparable foreign policy steps have not been taken.

Meanwhile, India itself has entered a period of active change. In 2014, Narendra Modi, a modern and ambitious politician, became India's Prime Minister. His programme entails enhancing India's role in international affairs, initiating a new stage in economic modernization, making innovations a priority in manufacturing, developing the country's infrastructure, and improving the quality of life. This new stage in India's development requires a new approach on Russia's part.

The level of strategic partnership provides the necessary basis for a new quality of Russia–India relations. Over the last 15 years, much has been done to strengthen these ties. The trade turnover between the two countries has grown sixfold, large-scale military–technical projects are being implemented, natural resources are being developed jointly, and the number of academic programmes and educational exchanges is growing. Russia and India have virtually identical positions on the most pressing regional and international problems and they efficiently coordinate the steps they take on influential international platforms, including new platforms such as BRICS and the Shanghai Cooperation Organization (SCO).

Still, to achieve substantial progress in bilateral relations it is necessary to renew the strategic paradigm of these relations. Forming the portfolio of cooperation projects on the basis of the economic renewal needs of Russia and India makes a qualitative leap possible. Joint initiatives should develop the global competitive edge of both countries and solve the tasks of transitioning to new development models. The cooperation mechanisms themselves must be revised in order to become more adaptive. The ultimate goal of this revision is to make Russia–India relations independent of the states' ties with third countries and impervious to crises and changes in global circumstances.

Before such a transition takes place, a whole series of systemic barriers that currently impede bilateral relations must be overcome. These barriers include: an imperfect legal framework; tariff and non-tariff trade limitations that still exist between the two countries; the lack of up-to-date information on political processes in both countries; the low level of business contacts; and the outdated images of both Russia and India their citizens have. In order to solve these tasks, it is necessary to expand the number of participants in alignment between

Russia and India, which should involve experts, businessmen, journalists and the professional community. At the same time, only the state can initiate and coordinate such contacts, since developing bilateral relations is ultimately a strategic and political task.

The Russian International Affairs Council (RIAC) has been involved in researching the interaction between the two countries since 2012, forming development suggestions as part of the “Russia and India: Toward a New Bilateral Agenda” project. Russian and Indian politicians and experts participating in seminars, expert meetings and consultations regularly discuss a whole range of issues: from security in the Indo–Pacific to the joint fight against the Islamic State (IS) to the developments in Afghanistan and Central Asia and the role of multilateral institutions in cooperation between the two countries. The Paper analyses not only bilateral relations between Russia and India, but also India’s development, its role in the global world and its foreign policy strategy, because Russia today also faces the goal of modernizing economy and increasing its role in international affairs.

The Working Paper presents the results of Russian and international discussions as assessments, suggestions, and recommendations. We believe that these ideas may prompt experts and decision-makers in Russia and India to open up a new discussion on the prospects of relations between the two countries and the steps necessary for their development.

1. Russia and India on the International Arena

1.1. Key Foreign Policy Results of the Narendra Modi Administration

1. Narendra Modi's government was formed following the May 2014 parliamentary elections in India. Its first steps on the international arena speak, on the one hand, of maintaining foreign policy continuity and, on the other hand, of the desire to build relations with foreign countries more purposefully. Modi's tight schedule of foreign visits after his coming to power only serves to confirm the fact that India intends to actively develop cooperation with its Asian neighbours (both with small countries, such as Bhutan and Nepal, and with large regional powers like Iran, Japan and Australia), as well as with the key global players (the United States, Russia, China) and leading multilateral organizations (the G20, BRICS and the SCO). At the same time, the entire complex of foreign ties is intended to contribute to solving the task of accelerating economic growth and making India more attractive for investments. India's leaders view increasing the country's economic potential as an important factor in transforming the country into a global centre. As the Bharatiya Janata Party Manifesto notes, the resurgent India must get its rightful place in the comity of nations and international institutions.¹

2. The new Prime Minister significantly simplified the process of making foreign policy decisions in India. The so-called "shadow political centre" led by Sonia Gandhi, which severely limited the actions of the Manmohan Singh government, was excluded from the decision-making process. The existence of this cumbersome structure was likely one of the reasons for the many "snags" in Russia–India relations mentioned by Russian experts.²

3. The Indian government led by Narendra Modi intends to further develop political, trade and economic cooperation with Russia on the basis of the preferential partnership between the two countries. Soon after winning the elections, Modi tweeted that in the nearest future he intended to make relations with Russia even stronger.³ Although the Indian National Congress (INC) and Russian leaders traditionally had working contacts, the victory of the Bharatiya Janata Party (BJP) does not mean that productive work will be suspended. President of Russia Vladimir Putin congratulated Narendra Modi in a telegram and spoke highly of the traditionally friendly relations between Russia and India based on the Declaration on Strategic Partnership signed on October 3, 2000, when Bharatiya Janata Party was in power.⁴ It should be noted that at that time,

¹ Ek Bharat – Shreshtha Bharat. Election Manifesto 2014. SabkaSaath, SabkaVikas // Bharatiya Janata Party, 2014, p. 39. URL: http://www.bjp.org/images/pdf_2014/full_manifesto_english_07.04.2014.pdf.

² See, for instance: Volodin A.G. Russia–India Relations: National, Regional, and Global Dimensions // IMEMO RAS. May 18, 2011. URL: http://www.imemo.ru/files/File/ru/sc/2011/18052011_tez.pdf (in Russian).

³ Narendra Modi's Official Twitter Account. URL: <https://twitter.com/narendramodi>.

⁴ Declaration on Strategic Partnership between the Republic of India and the Russian Federation (adopted on October 3, 2000 in New Delhi during the President of the Russian Federation V.V. Putin's State Visit to India) // Official Site of the President of the Russian Federation. October 3, 2000. URL: <http://archive.kremlin.ru/text/docs/2000/10/80628.shtml> (in Russian).

Narendra Modi held the office of Secretary General of the BJP (the second highest office in the party). Previously, Modi had visited Russia three times as the Chief Minister of Gujarat. He established contacts with representatives of Russian regions (for instance, he signed his first international agreement as the Chief Minister of Gujarat with Astrakhan Region⁵), and also with the members of the business community who took part in the Vibrant Gujarat programme.

4. During the first meeting between Vladimir Putin and Narendra Modi on the sidelines of the BRICS summit in Fortaleza (Brazil), the parties stated they had a perfect consensus concerning bilateral interaction in politics, on the international arena, in economy and military–technical cooperation.⁶ The Russian President’s state visit to India which took place several months later concluded with a series of documents (mostly memoranda of understanding and cooperation) not only on developing cooperation in Russia’s traditional oil and gas industry and nuclear energy, but also on supporting joint research and interaction in financial sphere and among media.⁷ Modi’s latest visit to Moscow in December 2015 was productive as well. The visit resulted in a sizable package of trade and economic agreements being signed and in a Joint Declaration being adopted. It specifically emphasized the unique nature of Russia–India relations in the world. These relations are based on long–standing and profound mutual trust and friendship between the two peoples who invariably support the expansion and strengthening of bilateral relations.⁸ This visit was preceded by active political dialogue at all levels. In 2015 alone, India was visited by Chairman of the State Duma Sergey Naryshkin (February), Deputy Prime Minister Dmitry Rogozin (December), Minister of Defence Sergey Shoygu (January), Head of the Federal Customs Service Andrey Belyaninov (April) and Minister of Internal Affairs Vladimir Kolokoltsev (September). Russia, in turn, was visited by National Security Advisor to the Prime Minister of India Ajit Doval (May), Minister of External Affairs Sushma Swaraj (October) and Minister of Defence Manohar Parrikar (November).

5. Given Modi’s multi–vector and pragmatic foreign policy, Moscow has a wide range of opportunities to develop relations with its traditional partner as part of its “Pivot to the East” strategy. Such cooperation should be developed in both bilateral and multilateral (within international organizations and associations) formats. Giving a new impetus to trade, economic, cultural and educational relations between Moscow and New Delhi would allow Russia to diversify its efforts in Asia (currently focused on the strategic partnership with China) and it would also allay India’s concern over the growing strength of its large north–eastern neighbour.

⁵ Narendra Modi: India Has Always Thought of Russia as a Close Friend // TASS. December 22, 2015. URL: <http://tass.ru/opinions/interviews/2549108> (in Russian).

⁶ Meeting with Narendra Modi, Prime Minister of India // Official Site of the President of the Russian Federation. July 16, 2014. URL: <http://en.kremlin.ru/events/president/news/46230>.

⁷ Documents Signed during the Official Visit of the President of the Russian Federation Vladimir Putin to the Republic of India // Official Site of the President of the Russian Federation. December 11, 2014. URL: <http://kremlin.ru/supplement/4792> (in Russian).

⁸ Russia and India Joint Declaration Result of the Official Visit of the Prime Minister of Republic of India Narendra Modi to Russia “Shared Trust, New Horizons” // Official Site of the President of Russia. December 24, 2015. URL: <http://www.kremlin.ru/supplement/5050> (in Russian).

1.2. Russian and Indian Positions on Shaping a New Architecture of International Relations

6. Russia and India have a common vision of a new, more just, balanced and polycentric world order. The countries hold the same, or similar, positions on the key problems of modern international relations, including the issue of increasing the role of developing countries in elaborating and making decisions on global political and economic problems. Both parties are prepared to expand multidimensional interaction with all the partners on the basis of equality, non-interference in internal affairs, mutual respect for each other's interests (especially in fighting terrorism and extremism) and the inadmissibility of using terrorist organizations to achieve political goals.

India is strongly opposed to a unipolar world and attempts to unilaterally dictate and coerce, regardless of which country might stake its claim to global leadership. India strives for an inclusive world order, where the central role is played by the United Nations, and large and small states interact based on equality.

With few exceptions, when voting in the UN General Assembly, Russia and India adhere to the same vision of the problems of sustainable global development, strategic stability and international security. For instance, in an open vote on November 21, 2014, India supported the UN General Assembly draft resolution against glorifying Nazism proposed by Russia.⁹

7. India is oriented towards a world order that could be described as “unity in diversity.” Such an approach has consensus as the principal engine of global politics and international relations, and the main participants are called upon to become a group of “horizontally” aligned states whose actions are based on coordination, rather than subordination. This is why India is greatly interested in expanding cooperation within such influential international organizations as BRICS and the SCO; India and Pakistan joined the latter in 2015. The basic approaches of these organizations consist in unconditional respect of international law, sovereignty and the choice of path of national development. They are not opposed to other international formats and they offer a peaceful and unifying cooperation agenda.

8. Russia–India relations do not exist in a vacuum. The prospects of their development depend on the nature of Russia and India's interactions with other global players, in particular, with the United States and China.

9. The United States is interested in developing close ties with India, as was shown during Modi's first visit to the United States in September 2014. However, there are still contradictions between New Delhi and Washington connected with significant differences on geopolitical and geo-economic issues (most visibly demonstrated at meetings within the UN system). Although India showed certain interest in joining the Trans-Pacific Partnership (TPP) that the United States actively promotes, it did not take any specific steps in that direction. And

⁹ Results of the UN Vote on the Resolution Against Glorifying Nazism // RIA Novosti. November 25, 2014. URL: <http://ria.ru/infografika/20141125/1034997247.html> (in Russian).

the large United States–India business cooperation programme that Modi outlined during his state visit does not imply any preferences for US investors on the Indian market.¹⁰

10. By promoting a positive unifying agenda, Russia and India may promote economic and political cooperation within the Russia–India–China triangle. By uniting the enormous human, academic and resource capacities of the three countries, each party gets an opportunity to start large-scale projects in producing and processing natural resources, transportation, space exploration, aviation, energy, engineering. BRICS is a promising platform for promoting these projects. The BRICS financial institutions – New Development Bank and the Currency Reserve Pool have already accumulated \$200 billion. Efficient interaction is possible between Russia’s fundamental science and resources, India’s engineering and China’s manufacturing with its labour force. A gradual thaw in relations between India and China would contribute to strengthening this trilateral interaction; not only are India and China increasing their business ties, they have also moved to cooperation in security.

11. Given the growing tensions in Moscow’s relations with the West, Russia may more actively coordinate with India and China to achieve consolidated decisions on the pending issues on the international and regional agenda. Given New Delhi and Beijing’s interest in economic partnership with the West, the trilateral cooperation should not emphasize the creation of a global counterweight to the developed countries. Russia should constantly stress its interest in a productive partnership with leading Western powers, yet this partnership must be based on mutual respect for sovereignty and on non-interference in internal affairs, and it should necessarily take into account Russia’s concern over a range of economic and security issues. Developing economic cooperation in the Russia–India–China triangle could become the necessary stabilizing factor in the region and it could give a new impetus to the development of the SCO considering that the organization is expanding.

12. Russia and India agree that current problems can only be efficiently solved with developing countries participating more actively in global trade, finance and investments. Developing countries could and should become equal participants in global development. It is particularly relevant for reforming the international financial architecture institutions. Joint efforts succeeded in increasing the quotas of developing countries in the International Monetary Fund (IMF). In early 2016, for the first time in the IMF’s history, Russia, Brazil, India and China made it to the list of top ten participants. BRICS will have 14.7 per cent of the votes (up from its previous share of 14.18 per cent).¹¹

¹⁰ PM Narendra Modi Meets Top US CEOs, Many Keen on India Opportunities // The Times of India. September 29, 2014. URL: <http://timesofindia.indiatimes.com/india/PM-Narendra-Modi-meets-top-US-CEOs-many-keen-on-India-opportunities/articleshow/43828237.cms>; Indian Media Praise Modi’s Investment Pitch to US Firms // BBC. September 30, 2014. URL: <http://www.bbc.com/news/world-asia-india-29421887>; Boeing Keen on Greater Engagement with India // INDIA TODAY. September 29, 2014. URL: <http://indiatoday.intoday.in/story/narendra-modi-boeing-top-us-ceos-new-york-james-mcnerney/1/393372.html>; IBM Keen on PM Narendra Modi’s Smart Cities Initiative // NDTV. September 29, 2014. URL: <http://www.ndtv.com/india-news/ibm-keen-on-pm-narendra-modis-smart-cities-initiative-672639>.

¹¹ Getting Greater Say: Russia Makes It into Top 10 IMF Member States // Sputnik International. January 28, 2016. URL: <http://sputniknews.com/politics/20160128/1033840659/imf-reform-russia-quota.html>.

13. In 2014, Russia reiterated its stance on the need to make the UN Security Council “more representative” and supported making India a permanent member.¹²

14. Recently, India has been demonstrating growing interest in the Arctic, as it does not want to fall behind China in this regard. In 2013, India became an observer in the Arctic Council. Russia maintains the status quo in the Arctic Council and builds constructive relations both with its members and with observer states. In this regard, Moscow should pay particular attention to Indian companies as promising business partners in the Arctic.

15. Russia and India are allies in their fight against terrorism. The parties are certain that “fighting terrorism is possible only by uniting the efforts of all countries and by avoiding double standards.”¹³ They are convinced it is inadmissible to divide terrorists into “good” and “bad” and flirt with radical organizations to promote one’s political interests. Today, an agreement is being drafted on counteracting the IS terrorist group.¹⁴ The annual INDRA military exercise held since 2003 serves to improve combat training and further the exchange of experience and intelligence information. Cooperation in countering extremism will receive new impetus when India joins the SCO’s anti-terrorist structures.

1.3. Interaction on Regional Problems

16. India strongly objects to involving external forces, in particular the leading world powers, in solving South Asia’s regional problems, be it in Kashmir or in the Indian Ocean.¹⁵ India eyes US–Pakistan relations with suspicion, particularly in the context of the threat of the situation in Afghanistan becoming destabilized.¹⁶ It is also worried by the growing “all-weather” friendship between Pakistan and China, which has allowed a large-scale infrastructure project aimed at providing China with stable access to the Indian Ocean to be initiated. According to an agreement achieved with Pakistan, China’s Navy may use the modernized Gwadar Port in Pakistan.

17. Russia’s stance is invariably pro-Indian in such a sensitive regional issue as Kashmir. Russian diplomacy justly believes that “internationalizing” problems will not contribute to their settlement and will only serve to undermine India’s political prestige.

¹² “Druzhba-Dosti: A Vision for Strengthening the Indian-Russian Partnership over the Next Decade” – Joint Statement during the Visit of President of the Russian Federation to India. // Ministry of External Affairs, Government of India. December 11, 2014. URL: http://mea.gov.in/bilateral-documents.htm?dtl/24486/DruzhbaDosti_A_Vision_for_strengthening_the_IndianRussian_Partnership_over_the_next_decade__Joint_Statement_during_the_visit_of_President_of_the_Russi#

¹³ Russia and India Agreed to Develop Military-Technical Cooperation // RT in Russian. December 24, 2015. URL: <https://russian.rt.com/article/138675> (in Russian).

¹⁴ Media: Indian PM Is Going to Discuss Fight Against Terrorism // RIA Novosti. December 22, 2015. URL: http://ria.ru/defense_safety/20151222/1346692418.html (in Russian).

¹⁵ Rajya Sabha Q NO 2868. Relation between India and Pakistan // Ministry of External Affairs, Government of India. December 18, 2014. URL: <http://mea.gov.in/rajya-sabha.htm?dtl/24584/Q+NO+2868RELATION+BETWEEN+INDIA+AND+PAKISTAN>.

¹⁶ Rajya Sabha Q NO 355. Gain from Visit of President of US // Ministry of External Affairs, Government of India. February 26, 2015. URL: <http://mea.gov.in/rajya-sabha.htm?dtl/24838/QNO355+GAIN+FROM+VISIT+OF+PRESIDENT+OF+USA>.

18. Indian experts believe the Indian Ocean to be the sphere of the priority interests.¹⁷ In the eastern part of the Indian Ocean, India is pursuing a policy of dynamically strengthening its relations with Myanmar, Indonesia and Singapore, as well as with Vietnam, South Korea and Australia, which could potentially result in a “diamond necklace” of India-friendly countries. At the same time, India is not aiming at shaping an anti-Chinese alliance in the region.

19. Russia’s comprehensive support for India in its interactions with other regional states will contribute to the development of Russia–India relations. India should be made aware that Russia–Pakistan military–technical cooperation will continue to be limited. The contract for selling Mi–35 helicopters to Islamabad is intended to improve Pakistan’s counter–terrorist and anti–drug capacities.¹⁸ This transaction does not endanger the military strategic balance in the region and is not directed against third countries. What should be noted is the unique parallelism between the foreign policy processes in South Asia and in the post–Soviet space, and the identical situations that Russia and India find themselves in in their respective regions, which determine the very similar approaches of Russia and India to the problems of the Commonwealth of Independent States (CIS) and South Asia respectively.

20. India’s policy regarding Afghanistan is determined by three principal considerations:

- a) concerns about the victory of Islamists in Afghanistan, the spread of Islamic radicalism into Central Asia and the possible emergence of an Islamic bloc which would include Afghanistan, Pakistan and the Central Asian states, and have a pointedly anti-Indian thrust;
- b) opposition to the increasing influence of the leading world powers in Afghanistan and their growing involvement in the regional affairs;
- c) a desire to turn Afghanistan into a transit country between Central Asia and India.

It appears that India’s actions in the Afghanistan–Pakistan conflict zone are motivated by New Delhi’s desire to qualitatively strengthen its economic, political and possibly military positions in the region. Afghanistan is itself interested in involving all the influential regional countries in settling its problems and has invited India, Iran and Russia to become part of the Afghan settlement.¹⁹ India is concerned about China’s activity in Afghanistan, as China not only invests large amounts in the Afghan economy, but has also become involved in the domestic political settlement. As to Pakistan, the Indian media actively discuss the subject

¹⁷ Foreign Policy Agenda for the New Government (Policy Brief) // Institute for Defence Studies and Analysis. May 27, 2014. URL: http://www.idsa.in/policybrief/Foreignpolicyagendaforthenewgovernment_agup-ta_270514.html.

¹⁸ Farhan, Bokhari. Russia, Pakistan Close in on Mi-35 deal // IHS Jane’s 360. November 13, 2014. URL: <http://www.janes.com/article/45709/russia-pakistan-close-in-on-mi-35-deal>; Commentary of the Department of Information and Press of the Russian Ministry of Foreign Affairs in Connection with Media Reports on the Planned Sale of Russian Military Equipment to Pakistan // Ministry of Foreign Affairs of the Russian Federation. June 4, 2014. URL: http://www.mid.ru/bdcomp/brp_4.nsf/fa711a859c4b939643256999005bcbcc/efbe2fe155472ebf-44257ced0020c9b2, OpenDocument (in Russian); Russia Signs Contract with Pakistan to Sell Mi-35M Helicopters // Interfax. August 20, 2015. URL: <http://www.interfax.ru/world/461412> (in Russian).

¹⁹ Hamid Karzai: Iran, India and Russia Should Take Part in Settling the Crisis in Afghanistan // TASS. February 7, 2016. URL: <http://tass.ru/mezhdunarodnaya-panorama/2646022> (in Russian).

of Islamabad's "undeclared war" against India.²⁰ Pakistan considers Afghanistan to be a zone of its strategic interests, seeing India as a competitor, and by all means trying to limit India's influence in Kabul. After Modi's successful visits to Afghanistan in December 2015 and January 2016, the Taliban attacked the Indian consulate in Mazar-i-Sharif.²¹

21. India ranks 6th in terms of investments into the Afghan economy (over \$1.3 billion). It has an embassy and four consulates in the country. New Delhi has also demonstrated a great interest in building large-scale transportation corridors through Afghanistan. In December 2015, construction of the Turkmenistan–Afghanistan–Pakistan–India (TAPI) Pipeline, which will pass through Afghanistan and Pakistan, began in Turkmenistan. When the pipeline is completed in 2018, its daily capacity will be 90 million cubic metres of gas, with 38 million cubic metres going to India.²² However, India naturally does not want to be dependent on the unstable, hostile Pakistan. In order to create an alternative route for bilateral trade with Afghanistan – one that bypasses Pakistan – India took part in developing the port of Chabahar in Iran and reconstructing the road that connects Afghanistan and Iran.²³

22. Russia and India do not differ in their views on the Afghanistan situation, and the prospects for cooperation between Russia and India can be clearly seen within the space of the Afghanistan–Pakistan tensions. One of the latest examples of such cooperation is India providing Kabul with four Mi–35 helicopters purchased from Russia.²⁴ In the future, we might see a bilateral agreement on implementing joint economic programmes in Afghanistan. It would be advisable to join the efforts of the two countries in the military and politics as well (for instance, in the form of joint programmes for training Afghani soldiers), and then expand such economic, military and political programmes to include Central Asia.

23. Russia and India's cooperation on the Afghan issue and on other regional security issues may be also efficiently implemented through the SCO. Many experts believe that Moscow held the SCO and BRICS summits in Ufa in July 2015 simultaneously in order to demonstrate, together with India and China, a non-Western view of today's world order.²⁵ Besides, it is important to involve India in intensifying practical interaction within the SCO in trade, economy, and other spheres.

24. Involving India in the Russia–China dialogue concerning integration projects in Eurasia appears to be of strategic importance. That involves aligning two initia-

²⁰ "Undeclared War" Against India in Afghanistan // Rodon. February 17, 2011. URL: <http://www.rodon.org/polit-110217130832> (in Russian).

²¹ Afghanistan–Pakistan–India: How to Improve Security in the "Triangle" // Voice of America. January 21, 2016. URL: <http://www.golos-ameriki.ru/content/vv-pakistan/3155921.html> (in Russian).

²² TAPI Gas Pipeline: Who Will Ensure Its Security? // New Eastern Outlook. URL: <http://www.rujournal-neo.com/node/117673> (in Russian).

²³ Pakistan and India Fight over Afghanistan // Afganistan.ru. March 17, 2011. URL: <http://afghanistan.ru/doc/19737.html> (in Russian).

²⁴ Kabul is Interested in Purchasing Russian Helicopters // RIA Novosti. December 22, 2015. URL: <http://ria.ru/economy/20151222/1346744647.html> (in Russian).

²⁵ Ufa-2015: Memorable Moments of the BRICS and SCO Summits // TASS. July 10, 2015. URL: <http://tass.ru/politika/2110054> (in Russian).

tives: the Eurasian Economic Union (EEU) and the Silk Road Economic Belt initiative proposed by General Secretary of the Communist Party of China Xi Jinping.

25. The principled and constructive stance taken by the Indian government with regard to the Ukrainian crisis is important. The issue of Ukraine has been discussed several times at meetings between the Indian Ambassador to Russia and senior officials from the Ministry of Foreign Affairs of the Russian Federation, which demonstrates the high level of mutual political trust and India's desire to obtain objective information about Russia's stance on the matter. According to official statements, New Delhi believes that the Ukrainian situation should be resolved via peaceful dialogue and the interests of all the parties, including Russia, should be taken into account in the process.²⁶ When Modi's government came into power, India's stance remained unchanged, and it objected to the West imposing sanctions against Russia.²⁷ When the UN General Assembly took a vote on the "Territorial Integrity of Ukraine" resolution in March 2014, India abstained from supporting it.

1.4. Searching for Common Approaches to the Nuclear Non-Proliferation

26. Indian politicians believe that India is a de facto nuclear power regardless of whether it is recognized as such under the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). New Delhi believes that it makes no sense to join the NPT, which has been criticized in India for many years.²⁸

27. India's position reflects the fragile and contradictory nature of the non-proliferation regime: New Delhi invariably stresses nuclear disarmament, not non-proliferation. India views nuclear proliferation as a threat to both regional and global security; such a view begets the idea of the "illegitimacy" of nuclear proliferation (and, accordingly, of nuclear non-proliferation, i.e. of preserving the privileged status of the "nuclear club" states as well). India thoroughly observes this regime by blankly refusing to transmit "sensitive" technologies and fissile materials to other countries.²⁹

28. The logic of India's stance on nuclear non-proliferation and nuclear security is such that the cooperation between Russia and India in this area does not have any significant political prospects at the moment.

²⁶ India Notes the Importance of Respecting Russia's Interests in Ukraine // TASS. March 6, 2014. URL: <http://tass.ru/mezhdunarodnaya-panorama/1025875> (in Russian); The Ambassador of India to the Russian Federation: New Delhi Does Not Support Western Sanctions against Russia // Interfax. May 11, 2014. URL: <http://www.interfax.ru/375668> (in Russian).

²⁷ India will not back sanctions against Russia // The Times of India. December 7, 2014. URL: <http://timesofindia.indiatimes.com/India/India-will-not-back-sanctions-against-Russia/articleshow/45399933.cms>

²⁸ Achal Malhotra, India's Foreign Policy Approaches in the Post Cold War Period // Ministry of External Affairs, Government of India. April 30, 2014. URL: <http://www.mea.gov.in/distinguished-lectures-detail.htm?80>.

²⁹ Transcript of Prime Minister's Interaction with the Japanese Media // Ministry of External Affairs, Government of India. August 29, 2014. URL: <http://www.mea.gov.in/media-briefings.htm?dtl/23959/Transcript+of+Prime+Ministers+interaction+with+the+Japanese+media>; Statement by Ambassador D.B. Venkatesh Varma, Permanent Representative of India to the Conference on Disarmament at the General Debate of the First Committee of the 69th UNGA // Ministry of External Affairs, Government of India. October 7, 2014. URL: <http://www.mea.gov.in/Speeches-Statements.htm?dtl/24058/Statement+by+Ambassador+D+B+Venkatesh+Varma+Permanent+Representative+of+India+to+the+Conference+on+Disarmament+at+the+General+Debate+of+the+First+Committee+of+the+69th+UNGA>.

2. Russia and India: Toward a New Agenda in Economic and Trade Relations

2.1. The Economic Programme of the Modi Government

29. One of the reasons the INC suffered such a crushing defeat at the 2014 elections was the displeasure of the people with the economic situation in India. Over the two years prior to the elections, the GDP growth rate dropped below 5 per cent and investments in manufacturing decreased sharply.³⁰ Implementation of large projects, particularly in infrastructure, either slowed down or stopped altogether. Export sectors stagnated as well, due both to an unfavourable situation in the Indian economy and to declining demand against the background of the global economic crisis.

30. Both Indian and foreign entrepreneurs were dissatisfied with the tax legislation and its application. During the final years of Manmohan Singh's tenure, corruption and the state's increasing intervention in the economy led to a less and less favorable business climate, which was confirmed by India's low ranking in the World Bank's Doing Business 2014 ranking. India dropped to 134th place, two places lower than in 2012.³¹ Conducting drastic and large-scale reforms intended to revitalize the economy's structure, win back investors' trust and reinvigorate economic growth was an important part of Narendra Modi's political mandate. In 2016 the World Bank's Doing Business ranking has already placed India at 130th place.³² Over the next five years (until 2020), the Modi government aims to increase the GDP share of the processing industry from 15 per cent to 25 per cent.³³ This means introducing a set of incentives, particularly in taxation. The system of business regulation is being simplified. For instance, processing enterprises with foreign capital are allowed to sell their products via retail outlets (including e-commerce) without obtaining additional permits.³⁴ Modi believes that introducing e-government technologies should increase the transparency and efficiency of the state. To promote "good governance" ideas, the Prime Minister initiated the launch of the **MyGov.in** website, conceived as an innovative platform for communication between citizens and the government.

31. The first budget drafted by the new government demonstrated that it is, indeed, transitioning toward a stimulating fiscal policy aimed at increasing investments and invigorating business activity.³⁵ Financing infrastructure becomes an

³⁰ India's Growth Remains Subdued at 4.7% in 2013–14 // The Hindu. May 31, 2014. URL: <http://www.thehindu.com/business/Economy/indias-growth-remains-subdued-at-47-in-201314/article6066515.ece>.

³¹ Doing Business 2015; Doing Business 2012 // World Bank Group. URL: <http://www.doingbusiness.org/reports/global-reports/doing-business-2015>; URL: <http://www.doingbusiness.org/reports/global-reports/doing-business-2012>.

³² Doing Business 2016 // World Bank Group. URL: <http://www.doingbusiness.org/reports/global-reports/doing-business-2016>.

³³ Govt Aims to Raise Manufacturing Share to 25% of GDP // Business Standard. November 13, 2014. URL: http://bs.neeraj.in/article/economy-policy/govt-aims-to-raise-manufacturing-share-to-25-of-gdp-114111201603_1.html.

³⁴ No Respite in E-Commerce FDI, but Manufacturers Get Clarity // The Hindu Business Line. July 10, 2014. URL: <http://www.thehindubusinessline.com/economy/budget/no-respite-in-ecommerce-fdi-but-manufacturers-get-clarity/article6197830.ece>.

³⁵ Key Features of Budget 2014–2015 // Union Budget. URL: <http://indiabudget.nic.in/ub2014-15/bh/bh1.pdf>.

important budgeting priority pursuing two goals: to solve manufacturing and sales problems and to create new jobs. The government has announced plans to build 100 “smart cities”, which should serve as examples of solving social issues by using high technologies.³⁶ At the same time, the government plans to build new roads, airports and sea ports and modernize the gas distribution system and power grids. In all the projects, the authorities plan to ensure a necessary partnership between the state on the one hand and the private and corporate sector on the other, and also to attract foreign investments and technologies. The new government’s first steps were met with approval by the business community. In July 2014, the Bombay Stock Exchange (S&P BSE SENSEX) national index, an important indicator of Indian economy’s health, exceeded 26,000 rupees; the mark was reached again after a sharp drop in February–March 2016.³⁷

32. Modi’s government pins particular hopes on “Make in India,” its new industrialization programme oriented at the accelerated development of the country’s industry.³⁸ The programme entails creating favourable conditions for foreign enterprises moving their production to India, and also supporting Indian manufacturers, primarily those that are export oriented. The motto of the programme is: IT+IT=IT (Indian Talent plus Indian Technology equals India Tomorrow).³⁹ Narendra Modi appealed to the entire global community: “I would like to call people of the world to ‘come, make in India.’ Sell the products anywhere in the world but manufacture here ... we have the power, come, I am inviting you.”⁴⁰ HSBC experts estimate that implementing the reform package will allow India’s exports to be increased more than fivefold by 2030, or by 11 per cent annually. Over the next 15 years, India can climb up from 14th to 5th place in export value terms.⁴¹

33. The Modi government has carried out an administrative reform. The number of ministers was cut significantly from 75 to 45. India’s Planning Commission, which had determined India’s economic policy since 1950, was abolished. The National Institution for Transforming India was created in its place. It will bring together delegates from all states and union territories and will work as the government’s expert centre and offer solutions for key issues of the country’s economy.⁴² Fifteen strategic sectors of the Indian economy were opened up. Private and foreign capital may now own up to 49 per cent of defence enterprises (up from 26 per cent) and up to 100 per cent of railway companies (from 0 per cent).⁴³

³⁶ Cities of the Future? Indian PM Pushes Plan for 100 “Smart Cities” // CNN. July 18, 2014. URL: <http://edition.cnn.com/2014/07/18/world/asia/india-modi-smart-cities/>

³⁷ S&P BSE SENSEX Index (chart) // Bloomberg. URL: <http://www.bloomberg.com/quote/SENSEX:IND/chart>

³⁸ Make in India. URL: <http://www.makeinindia.com/>

³⁹ Bragina E.A. India: The Modi Government’s Year in Power // IMEMO RAS. May 20, 2015. URL: http://www.imemo.ru/index.php?page_id=502&id=1666&printmode (in Russian).

⁴⁰ Pakhomov E. Follow Modi, Make in India // BRICS Business Magazine. URL: <https://bricsmagazine.com/en/articles/follow-modi-make-in-india>.

⁴¹ Trade Forecast Reports India // HSBC Global Connections. September, 2014. URL: <https://globalconnections.hsbc.com/global/en/tools-data/trade-forecasts/in>.

⁴² Bragina E.A. India: The Modi Government’s Year in Power // IMEMO RAS. May 20, 2015. URL: http://www.imemo.ru/index.php?id=1666&page_id=502&ret=640 (in Russian).

⁴³ India Frees up Foreign Investment in 15 Major Sectors // Reuters. November 10, 2015. URL: <http://in.reuters.com/article/india-reforms-idINKN0SZ18J20151110>.

34. It is still too early to take stock of the Modi government's work, as it was only formed two years ago. Yet its reforms had an immediate positive effect on the main economic indicators. The growth rate of the economy increased from 5 per cent and 6.9 per cent in 2012 and 2013, respectively, to 7.26 per cent in 2015. India's GDP is expected to grow by 7.45 per cent in 2016. The government managed to reduce inflation significantly: from nearly 10 per cent in 2013 to 4.9 per cent in 2015. Removing administrative barriers and opening up economy sectors for private and foreign investments allowed direct investments to be increased from \$28 billion in 2013 to \$33.9 billion in 2014. In 2015, this indicator exceeded \$63 billion. Thus India overtook the United States (\$59.6 billion) and China (\$56.6 billion) in terms of the volume of direct foreign investments.⁴⁴ India's national debt is gradually decreasing, from 67 per cent of GDP in 2013 to 65 per cent in 2015. New manufactures have created jobs, thus positively influencing unemployment rates, which since 2012 dropped by over 1 per cent to 7.3 per cent in 2014.⁴⁵ In 2014, India exported more goods than ever before, worth an estimated \$320 billion,⁴⁶ contributing to correcting the trade deficit (from \$192 billion in 2012 to \$125 billion in 2015).⁴⁷

35. Currently, several factors might hinder the government's plans. Those include bureaucratic inertia, lack of financing and worsening social problems due to mass migration which will inevitably accompany the "new industrialization." The latter entails serious risks, since one item on Modi's economic programme involves lowering subsidies that could calm social discontent. Highly decentralized state governance creates difficulties in eliminating barriers at the level of states, territories and districts. Since Modi's reforms have not yet been completed, Russia should seize the moment and attempt to "reset" economic relations with its traditional partner in South Asia.

2.2. Problems and Prospects of Bilateral Trade and Economic Relations

36. Despite the privileged political partnership between Russia and India, trade and economic ties between the two countries remain the weakest part of their relations. In 2015, India was Russia's 17th largest trade partner.⁴⁸ According to statistics from India, Russia was the country's 33rd foreign trade partner in the 2014–2015 financial year, with an overall share in the country's foreign trade volume being 0.84 per cent.⁴⁹ India mostly exports medications, ferrous metals goods, clothes, tea, coffee and tobacco to Russia, while it primarily imports

⁴⁴ India Replaces China as top FDI Destination in 2015: Report // The Economic Times. April 21, 2016. URL: http://articles.economictimes.indiatimes.com/2016-04-21/news/72508700_1_fdi-report-cent-fdi-fdi

⁴⁵ India: Unemployment Rate from 2010 to 2014 // Statista. URL: <http://www.statista.com/statistics/271330/unemployment-rate-in-india/>

⁴⁶ India: Export of goods from 2005 to 2015 (in billion US dollars) // Statista. URL: <http://www.statista.com/statistics/263662/export-of-goods-from-india/>

⁴⁷ India: Trade Balance from 2005 to 2015 (in billion US dollars) // Statista. URL: <http://www.statista.com/statistics/263633/trade-balance-of-india/>

⁴⁸ Overview of Trade Relations // Trade Mission of the Russian Federation in India. URL: http://ind.ved.gov.ru/ru/obzor_torg (in Russian).

⁴⁹ Export Import Data Bank Version 7.2. Total Trade: Top 100 Countries // Ministry of Commerce and Industry of India. Department of Commerce. URL: <http://commerce.nic.in/eidb/iecentopnq.asp>.

weapons, nuclear power plant equipment, fertilizers, electrical equipment, steel goods and uncut diamonds. Data of the Federal Customs Service of Russia indicate that in 2013, Russia–India trade turnover dropped by 5 per cent compared to 2012 and totalled \$10.071 billion; Russian exports amounted to \$6.983 billion (which represents a 7.67 per cent drop); and imports totalled \$3.088 billion (1.6 per cent growth).⁵⁰ In 2014, trade turnover dropped further to \$9.5 billion (5.6 per cent).⁵¹ In 2015, trade turnover continued to decrease to \$7.8 billion. Russian exports dropped by 12 per cent to \$5.5 billion. Russian imports from India dropped nearly by 30 per cent to \$2.2 billion. Such low figures can be explained first and foremost by logistical problems. Therefore, it is hardly realistic to use the foreign trade between, for instance, India and China (\$65.4 billion⁵²), where a large share is made up by border trade and exchanges, as a yardstick. However, given India’s active industrial policy, Russia has an opportunity to increase non–resource exports into the country.

37. To preserve the “privileged” status of Russia–India relations, it is important to set the milestones for Russian foreign economic activity. Practice shows that only when the trade turnover is above \$17–18 billion is economic and socio-political interest in the positive dynamics of bilateral relations formed.

38. Investment cooperation between the two countries also remains extremely low. The total amount of Indian investments into the Russian economy in 2000–2015 was over \$8 billion. Russian investments in India over the same period were about \$4 billion.⁵³ Russian investments go mostly into nuclear power and technologies, as well as transportation. Indian investments are concentrated in the oil and gas industry and the pharmaceutical sector. Many sectors are not yet covered by investment cooperation. Connections between regions are poorly developed.

39. The impact of bilateral commissions must be increased, as must the efficiency of controlling the decisions made. This is especially true since Russia and India have created an extensive cooperation infrastructure at different levels, namely the India–Russia Inter–Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation (the Russian side is headed by Deputy Prime Minister Dmitry Rogozin; the Indian side by Minister of External Affairs Sushma Swaraj). The India–Russia Trade and Investment Forum, presided over by the Minister of Economic Development of Russia and the Minister of Commerce and Industry of India has been held every year since 2007. In 2008, a joint council of business leaders was formed, led by the Chairman of the Board of Directors of Sistema and Anil Manibhai Naik, Executive Chairman of the Board of Directors of Larsen & Toubro. The Business Council for Cooperation

⁵⁰ Russia–India Trade and Economic Relations in 2014: A Review // Ministry of Economic Development of the Russian Federation: Foreign Economic Information Portal. URL: http://www.ved.gov.ru/exportcountries/in/in_ru_relations/in_ru_trade/ (in Russian).

⁵¹ Russia–India Trade and Economic Relations in 2014: A Review // Ministry of Economic Development of the Russian Federation: Foreign Economic Information Portal. URL: http://www.ved.gov.ru/exportcountries/in/in_ru_relations/in_ru_trade/ (in Russian).

⁵² Exclusive: President Xi Jinping’s State Visit to India Is of Great Significance, Says China’s Ambassador to India Le Yucheng // Xinhua Information Agency. September 17, 2014. URL: http://russian.news.cn/china/2014-09/17/c_133650525.htm (in Russian)

⁵³ Bilateral Relations between Russia and India // Embassy of India in Russia. URL: <http://www.indianembassy.ru/index.php/ru/2013-07-06-11-02-37/2013-07-06-10-56-05>; Review of Russia–India Trade Relations // Trade Mission of the Russian Federation in India. URL: http://ind.ved.gov.ru/obzor_torg/ (in Russian).

with India works under the aegis of the Chamber of Commerce and Industry of the Russian Federation.

40. The “Make in India” programme opens up new opportunities for trade and economic cooperation between the two countries. Russian and Indian leaders spoke about it during their latest negotiations on December 24, 2015 in Moscow.⁵⁴ Commercializing Russia’s cutting-edge technologies and manufacturing products under licenses from Russian companies are also promising. Interaction between the two countries in energy, aviation industry, petrochemistry, the pharmaceutical industry, biotechnologies, telecommunications and the hi-tech industry is of great significance. This is the path taken by Russia’s Sibur which, together with its Indian partners, is currently constructing a butyl rubber manufacturing plant in Jamnagar, the largest of its kind in South Asia. The plant is scheduled to become operational in 2016.⁵⁵ On the other hand, the “Make in India” programme reduces opportunities of Russian companies to export finished goods to India.

41. Unblocking transportation routes that connect Russia and India could serve as a powerful impetus to the growth of Russia–India trade and economic relations. First, the North–South Transport Corridor (ITC) could be “unfrozen.” Russia, Iran and India signed the relevant agreement on September 12, 2000 in St. Petersburg. A regular meeting of the project’s Coordination Committee took place in August 2015 in New Delhi. It is necessary to introduce multimodality, develop maritime traffic, launch container trains, create a unified shipping plan for a flat rate in a fixed transit time interval and offer customs preferences. Interacting with Iran in this respect could provide an impetus to restoring the Moscow–Tehran–New Delhi geo-economic triangle with the possible involvement of the Central Asian region. In order to develop contacts on transportation issues, a Memorandum of Understanding on technical cooperation in railway sector was signed between Russian Railways and the Ministry of Railways of India during Modi’s latest visit to Moscow in December 2015. This memorandum provides for cooperation in high-speed railways, modernizing the current railway infrastructure, and also developing freight corridors.⁵⁶ Less than six months later, on May 24, 2016 in Tehran, during Modi’s visit to Iran, the leaders of India, Iran and Afghanistan held a meeting and signed an agreement on opening the Iranian port of Chabahar, which had undergone reconstruction with considerable Indian investments.⁵⁷ India’s interest in developing this port stems not only from the desire to promote its ties with Afghanistan, but also from India’s desire to strengthen its positions in Central Asia and step up efforts to diversify its transportation possibilities, including through the use of the North–South ITC, of which Chabahar is a part.

⁵⁴ Meeting with Russian and Indian Business Community Representatives // Official Site of the President of Russia. December 24, 2015. URL: <http://en.kremlin.ru/events/president/news/51010>.

⁵⁵ Foreign Offices // SIBUR Official Site. URL: http://www.sibur.ru/about/products/foreign_offices/ (in Russian).

⁵⁶ Russian Railways President and Ambassador of India to Russia Signed a Memorandum of Understanding in Rail Transportation // Russian Railways. December 24, 2015. URL: http://press.rzd.ru/news/public/ru?STRUCTURE_ID=654&layer_id=4069&refererLayerId=3307&id=87068 (in Russian).

⁵⁷ Governments Are Formed to Fulfill the Dreams of the People: PM Narendra Modi // Official Site of the Prime Minister of India Narendra Modi. May 26, 2016. URL: <http://www.narendramodi.in/pm-modi-at-vikaspur-rally-in-saharanpur-uttar-pradesh-483540>; India Builds New Paths to Central Asia // Business Kazakhstan. May 24, 2016. URL: <http://dknews.kz/indiya-proklady-vaet-novy-e-puti-v-tsentral-nuyu-azyu/> (in Russian).

42. Liberalization of the visa regime on both sides will contribute to implementing joint projects. It is particularly important to expedite the issuance of visas to highly qualified specialists, and to groups attending business, academic and cultural events in both countries. Since Air India resumed regular flights to Russia, the issue of introducing a visa-free regime for flight crews as soon as possible has come to the fore. To stimulate bilateral tourism, Russia could take steps similar to those that New Delhi took concerning private visits to India. Since October 2014, Russians have been able to obtain their visas upon their arrival at nine Indian airports (the duration of stay is up to 30 days). The parties are continuing efforts to remove barriers hindering business initiatives. In December 2015, a protocol was signed in the presence of the two heads of state on simplifying the travel requirements for several categories of citizens of the two countries. Now businessmen can visit Russia and India upon receipt of direct invitations from their partners, and not through a narrow circle of authorized organizations.⁵⁸

43. Almost a quarter of the world's uncut diamonds are produced in Russia, while India produces up to 65 per cent of the world's cut diamonds. An important area of Russia-India cooperation is increasing direct contacts between diamond businesses, bypassing European intermediaries. That is why the issue of creating a special customs zone within the Bharat Diamond Bourse is now in the works. In 2014, Russia's ALROSA supplied companies with Indian capital with diamonds worth over \$2.3 billion.⁵⁹ In addition, in 2015, it improved its positions on the Indian market by increasing the number of long-term contracts from 9 to 12.⁶⁰

44. Cooperation in the pharmaceutical sector benefits the Russian consumer: high-quality Indian medications are significantly cheaper than similar products manufactured in other countries. The parties should regularly coordinate their positions in this sphere, also taking into account Russia's interest in diversifying its imports and developing import substitution in the pharmaceutical sector. Today, India is the third largest importer of pharmaceuticals into Russia (after Germany and France). In January-September 2015, India exported medications worth a total of \$341 million into Russia, accounting for 20 per cent of India's overall exports (cf.: India's share in Russia's overall medication imports is 6.7 per cent⁶¹). This is why India is carrying out an active policy of localizing its pharmaceutical manufacturing in Russia. Russia's Diod and India's Aurobindo Pharma have built a pharmaceutical plant in the suburbs of Moscow to produce medications, mostly generics (production volume is 3 billion tablets and 180 million capsules a year; about 70 medications). Another promising project is India's Cadila Pharmaceuticals starting pharmaceutical production in the Yaroslavl Region.⁶²

⁵⁸ Statement for the Press following Russian-Indian Talks // Official Site of the President of Russia. December 24, 2015. URL: <http://en.kremlin.ru/catalog/persons/423/events/51011>.

⁵⁹ ALROSA Signed 12 Long-Term Agreements with Indian Companies // TASS. December 11, 2014. URL: <http://tass.ru/ekonomika/1641006> (in Russian).

⁶⁰ Statement for the Press following Russian-Indian Talks // Official Site of the President of Russia. December 24, 2015. URL: <http://en.kremlin.ru/catalog/persons/423/events/51011>.

⁶¹ Russia-India Economic Relations // TASS. April 10, 2016. URL: <http://tass.ru/info/1637601> (in Russian).

⁶² Anti-Crisis Medication // Rossiyskaya Gazeta. February 10, 2015. URL: <http://www.rg.ru/2015/02/10/reg-cfo/tabletka.html> (in Russian).

45. When it comes to energy, nuclear power plant (NPP) construction projects are the most promising. The agreement between Russia and India on civil liability for nuclear damage confirms that both parties have a vested interest in developing cooperation in the nuclear sector. Differences on the issue had hindered the construction of new plants. India's stance rests on the 2010 Civil Liability for Nuclear Damage Act.⁶³ Pursuant to the Act, an NPP operator has the right to sue the equipment supplier in case of nuclear damage. Nonetheless, the first NPP unit of the Kudankulam NPP is already in its warranty period operation, and the construction of the second unit has been completed. A general framework agreement was signed on building units 3 and 4 of the plant. The two countries have significant plans for peaceful nuclear power. According to Y. Ushakov, aide to the President of the Russian Federation, "up to 25 nuclear power units could be built in different regions of India with Russian participation."⁶⁴ In the medium term, it would be useful to begin cooperation with India to build fast-neutron reactors, an area where Russia has no competitors. Russia's positions on the Indian nuclear market could receive an additional boost from accelerated development in Russia of the production of small and medium power units (for large Indian cities) in cooperation with Indian partners.

46. According to long-term forecasts made by the International Energy Agency, the total capacity of hydroelectric power plants (HPP) may increase by 1.5 times by 2040. About 90 per cent of new HPPs will be built in developing countries, which have a large demand for power and underused hydro capacities (in India, no more than 25 per cent of its hydro capacities is used).⁶⁵ This is why Russian companies are interested in developing Indian hydropower. For instance, the company Power Machines modernized the Tehri and Koteshwar hydroelectric power plants in the state of Uttar Pradesh.⁶⁶ RusHydro will design then build the second stage of Upper Siang, India's largest HPP on the Brahmaputra River.⁶⁷

47. It would be advisable to expand cooperation between electric power companies in both countries in modernizing currently operational power plants and building new electric power facilities in India. Power Machines is currently modernizing the turbo generators of the Sipat, Obra, Loktak and Konaseema power stations in India.⁶⁸

48. Cooperation in oil and gas industry is extremely promising. Creating new joint ventures in hydrocarbon production in Russia (similar to Sakhalin-1) and in third countries (in Central Asia first and foremost) could be an effective way

⁶³ The Civil Liability for Nuclear Damage Act, 2010 // Ministry of Law and Justice. URL: [http://lawmin.nic.in/Id/regionallanguages/THE%20CIVIL%20LIABILITY%20OF%20NUCLEAR%20DAMAGE%20ACT,2010.%20\(38%20OF2010\).pdf](http://lawmin.nic.in/Id/regionallanguages/THE%20CIVIL%20LIABILITY%20OF%20NUCLEAR%20DAMAGE%20ACT,2010.%20(38%20OF2010).pdf).

⁶⁴ Russia Can Help Build up to 25 Units of Nuclear Power Plants // RIA Novosti. July 6, 2015. URL: <http://ria.ru/atomtec/20150706/1116839928.html> (in Russian).

⁶⁵ Technology Roadmap. Hydropower // International Energy Agency. URL: <http://www.iea.org/publications/freepublications/publication/technologyroadmaphydropower.pdf>.

⁶⁶ Success Stories // Power Machines Official Site. URL: <http://www.power-m.ru/press-center/stories/> (in Russian).

⁶⁷ RusHydro Will Design a Power Plant in Brahmaputra // RusHydro Official Site. March 24, 2014. URL: <http://blog.rushydro.ru/?p=9428#more-9428> (in Russian).

⁶⁸ Meeting with Russian and Indian Business Community Representatives // Official Site of the President of Russia. December 24, 2015. URL: <http://en.kremlin.ru/events/president/news/51010/>.

of promoting collaboration. India could sell part of the produced hydrocarbons to its partners. A promising agreement was reached in July 2015 between Rosneft and India's Essar on oil sales to India. The agreement concerns the supply of a total of 100 million tonnes of oil over 10 years for an oil refinery in the city of Vadinar, one of the largest refineries in India and South Asia as a whole. Also, Rosneft gets 49 per cent of the refinery's shares. In the future, the parties intend to develop a chain of 1,600 petrol stations. This project is of strategic importance for Russia–India relations, as it allows trade turnover between the two countries to be increased by 50 per cent.⁶⁹ In September 2015, India's OVL Group and Rosneft signed an agreement giving OVL a 15 per cent share in the development of the Vankor oil and gas field.⁷⁰

49. Moscow and New Delhi could consider extending the Power of Siberia pipeline to India. The scale of the project requires a careful analysis from the point of view of its economic and commercial profitability, and from the point of view of all the logistical problems. In November 2015, the Russia–India joint working group on exploring the possibility of building a hydrocarbon pipeline system linking Russia and India held its first meeting. It was co-chaired by Deputy Minister of Energy of the Russian Federation Yuri Sentyurin and Deputy Minister of Petroleum and Natural Gas of India A. Sawhney.⁷¹ Dialogue on the matter will continue; the group will hold the second meeting in the first quarter of 2016 to discuss, among other things, the prospects of selling oil from Russia to India via Afghanistan.

50. It is important for Russia to continue its participation in India's large-scale gas infrastructure development. It involves Russia's Sroytranzgaz Group, which has completed a series of landmark projects in India. Among these projects is the construction of "East–West," India's largest gas-distribution system, in 2008. The 1,300-km gas pipeline stretches from Kakinada (in the state of Andhra Pradesh) to Bharuch (in Gujarat).⁷² Current estimates predict that by 2020 India's gas consumption will grow by 70 per cent (compared to 2011).⁷³ The new strategy of the Ministry of Petroleum and Natural Gas of India aims to enhance its energy security and to decrease its excessive dependence on oil, looking for ways to import natural gas.⁷⁴ Since liquefied natural gas (LNG) is the most economically advantageous, Gazprom and India's GAIL signed a long-term contract for LNG supplies in 2012, under which Russia commits to ship 2.5 million tonnes of LNG annually for 20 years.⁷⁵ Rosneft is not far behind the Russian gas giant: it is currently negotiating the sale of a 20 per cent share in

⁶⁹ Rosneft and Essar Expand Comprehensive Cooperation // Rosneft Official Site. URL: <http://www.rosneft.ru/news/today/08072015.html> (in Russian).

⁷⁰ India–Russia Bilateral Relations // Embassy of India in Russia. URL: <http://www.indianembassy.ru/index.php/ru/2013-07-06-11-02-37/2013-07-06-10-56-05> (in Russian).

⁷¹ Russia and India Discussed Prospects of Building a Pipeline System // RIA Novosti. November 6, 2015. URL: <http://ria.ru/economy/20151106/1315100501.html#ixzz3z1tpdp6l> (in Russian).

⁷² Sroytranzgaz Official Site. URL: http://www.sroytranzgaz.ru/projects/oilgas_engineering/987/?sphrase_id=24029 (in Russian).

⁷³ Alexey Miller and Ajai Malhotra Discuss Issues of LNG Supplies to India // Gazprom. November 16, 2011. URL: <http://www.gazprom.ru/press/news/2011/november/article123401/> (in Russian).

⁷⁴ Roadmap for Reduction in Import Dependency in the Hydrocarbon Sector by 2030 (Final Report) // Ministry of Petroleum and Natural Gas. URL: <http://petroleum.nic.in/docs/FinalReportKelkarCommittee2014.pdf>.

⁷⁵ Gazprom Concludes Long-Term LNG Sales Contract with GAIL Company // Gazprom. October 1, 2012. URL: <http://www.gazprom.ru/press/news/2012/october/article145022/> (in Russian).

the Far Eastern LNG project with India's Oil and Natural Gas Corporation (ONGC).⁷⁶

51. It is estimated that a sharp increase in the middle class (600 million people by 2030⁷⁷) in India, whose consumption level will be comparable to that of the European middle class, as well as environmental problems should prompt India to look for new ways to meet the food demand. Russia could become India's natural partner in resolving this problem and ensuring India's food security. A measure of success has already been achieved in this area. In May 2015, Uralkali concluded a contract with Indian Potash Limited for the supply of 800,000 tonnes of potassium fertilizers to India.⁷⁸ Russia's PhosAgro and Acron are also present on the Indian market. What is more, Rosatom plans to create a network of food and food product (including export-oriented food product) radiation decontamination centres in India.⁷⁹

52. It is extremely important to increase Russia's hi-tech exports to India. India is currently certifying Russia's Sukhoi Superjet 100. Sukhoi plans to sell up to 50 jets to India.⁸⁰ Another Russian aircraft building company, Irkut, plans to sell between 100 and 200 promising MS-21 aircraft to India by 2025–2030.⁸¹

53. Russian business has demonstrated an interest in the Indian telecommunication sector. Sistema Shyam TeleServices Limited is a joint hi-tech project developed by Russia's Sistema and India's Shyam Group; with 8.9 million subscribers, it is one of the ten largest mobile operators in India. Despite certain complications with the Indian authorities, Sistema has no plans to withdraw from India, and in 2015, it announced the merger of its telecommunication assets in India with another large company, Reliance Communications.⁸²

54. Financial support and state guarantees are required in order to develop promising initiatives in the priority sectors of economy and create new innovative production facilities. One of the solutions is to create joint investment funds. In 2012, the Russian Direct Investment Fund (RDIF) and the State Bank of India created a co-investment consortium intended to expand bilateral economic cooperation. Its resources will meet the demand for implementing infrastructure projects, creating high added value in the production and processing of natural resources, and developing processing facilities and services enterprises.⁸³ In 2014, the RDIF and India's Infrastructure Development Finance

⁷⁶ ONGC Begins Negotiations with Rosneft on 20 Per Cent Share in Far Eastern LNG // *Forbes*. September 3, 2014. URL: <http://www.forbes.ru/news/266907-indiiskaya-ongc-mozhet-poluchit-20-v-dalnevostochnom-spg-rosnefti> (in Russian).

⁷⁷ The Middle Class in India: Issues and Opportunities // *Deutsche Bank Research*. February 15, 2010. URL: http://www.dbresearch.de/PROD/DBR_INTERNET_DE-PROD/PROD000000000253735.pdf.

⁷⁸ Uralkali Signs Contract with Indian Potash // *Interfax*. May 2, 2016. URL: <http://www.interfax.ru/business/439646> (in Russian).

⁷⁹ Russia-India Economic Relations // *TASS*. April 10, 2016. URL: <http://tass.ru/info/1637601> (in Russian).

⁸⁰ Ministry of Industry and Trade of Russia: Ongoing Talks on Certifying SSJ00 in China and India // *RIA Novosti*. November 10, 2015. URL: <http://ria.ru/economy/20151110/1317999102.html> (in Russian).

⁸¹ Irkut Plans to Sell up to 200 MS-21 Aircraft to India until 2025 // *TASS*. March 16, 2012. URL: <http://tass.ru/ekonomika/508891> (in Russian).

⁸² For more details: Russia-India Economic Relations // *TASS*. April 10, 2016. URL: <http://tass.ru/info/1637601> (in Russian).

⁸³ RDIF and the State Bank of India Agreed to Invest up to \$1 billion Each in Joint Projects // *RDIF Official Site*. December 24, 2012. URL: <http://rdif.ru/fullNews/265/> (in Russian).

Company (IDFC Ltd.) agreed on the joint implementation of investment projects. Initial plans supposed that each country should contribute \$500 million, which will be mostly spent on developing transportation corridors.⁸⁴ The RDIF created another fund jointly with Tata Power to develop investment in the energy sector, including the production of green energy.⁸⁵

55. Implementing joint Russia–India economic, technological, scientific and research projects requires significant financial support, which could be provided, among others, by the banking system. Currently, VTB (since 2008) and Sberbank of Russia (since 2009) carry out commercial banking in India. VTB loan finances the projects of Russian companies such as Rosoboronexport, Sukhoi, MiG, Atomstroyexport and Power Machines in India.⁸⁶ Vnesheconombank, Promsvyazbank and Gazprombank have opened offices in India. Commercial Indo Bank represents the Indian banking sector in Russia.⁸⁷

56. Financing for large projects may be obtained from international financial sources. Large financial resources (up to \$100 billion) are accumulated in the Asian Infrastructure Investment Bank where China, India and Russia have the majority of votes: 20.06 per cent, 7.5 per cent and 5.92 per cent, respectively.⁸⁸ The BRICS New Development Bank, which focuses on financing infrastructure projects in the BRICS countries, will be another source for funding joint projects. Its headquarters are in Shanghai, and the Bank's first president is a native of India, Kundapur Vaman Kamath.⁸⁹

57. As their priority, the parties should continue to discuss using national currencies in mutual payments. In June 2015, the Central Bank of Russia and the Reserve Bank of India formed a joint working group to study the issue. Several Russian companies already use rupees and roubles for mutual payments. For instance, Uralvagonzavod successfully sells its spare carriage parts for rupees.⁹⁰ India is also interested in using national currencies for payment. The Ministry of Commerce and Industry of India has started developing a new mechanism for making mutual payments with Russia in the “rupee–rouble” pairing, removing dollars and euros from transactions.⁹¹

58. Developing ties among the various regions of the two countries will further promote the Russia–India partnership. As of today, these are cooperation agreements between: the Republic of Tatarstan and the state of Andhra Pradesh;

⁸⁴ RDIF and IDFC Will Invest up to \$1 billion Each in Joint Projects // RDIF Official Site. December 10, 2014. URL: <http://rdif.ru/fullNews/1194/> (in Russian).

⁸⁵ RDIF and TATA Power to Increase Russia-India Investments // RDIF Official Site. December 10, 2014. URL: <http://rdif.ru/fullNews/1195/> (in Russian).

⁸⁶ Ershov V.F. Russia and India: Investment Projects and Interbank Cooperation in 2004–2014 // *Academic Journal*. URL: <http://www.jurnal.org/articles/2014/ekon99.html> (in Russian).

⁸⁷ India // Official Site of the Ministry of Foreign Affairs of the Russian Federation. URL: <http://www.mid.ru/maps/in/?currentpage=double>.

⁸⁸ China, India, and Russia Lead in the Asian Bank // *Vzglyad*. June 29, 2015. URL: <http://vz.ru/economy/2015/6/29/753329.html> (in Russian).

⁸⁹ The BRICS New Development Bank Opened in Shanghai // *TASS*. July 21, 2015. URL: <http://tass.ru/ekonomika/2132483> (in Russian).

⁹⁰ Uralvagonzavod's CEO: We Are Actively Working with Asia Pacific Countries // *RIA Novosti*. September 1, 2015. URL: <http://ria.ru/interview/20150901/1221649403.html> (in Russian).

⁹¹ India Working on Mechanism of Payment in National Currencies with Moscow // *TASS*. December 24, 2014. URL: <http://tass.ru/mezhdunarodnaya-panorama/1669813> (in Russian).

the Samara Region and the state of Karnataka; the Astrakhan Region and the state of Gujarat; the Voronezh Oblast and the state of West Bengal; St. Petersburg and Mumbai; Kazan and Hyderabad; the Tula Region Union of Industrialists and Entrepreneurs and the Indian Chamber of Commerce (Northeast); and the Administration of the Tver Region and the All India Association of Industries. In October 2012, as part of the Days of Moscow in New Delhi, a Protocol on Cooperation between the Russian and Indian Capitals for 2012–2015 was signed. Work to establish partnerships between the Irkutsk Region and the states of Karnataka and Kerala, the Stavropol Region and the state of Kerala, the Volgograd Region and the state of Tamil Nadu, the Krasnodar Region and the state of Goa, the Kostroma Region and the state of Uttarakhand, and the cities of Vladivostok and Calcutta is currently under way.⁹²

59. The Vibrant Gujarat Forum is an important Indian platform for interregional interaction between Russia and India, especially given Narendra Modi's traditional attention to that state. The practice of holding bilateral business forums with representatives from Indian states and regions of the Russian Federation should be expanded.

60. Priority attention should be given to tying together the scientific and technical potential of Russia and India, creating new products and promoting them on global markets. The Russian–Indian Scientific and Technological Centre was founded in 2011–2012, with branches in Moscow and New Delhi, to stimulate bilateral exchange of technologies and their commercialization.⁹³ Russian-developed technology was used in India to establish the National Antivenom and Vaccine Production Center, which fully meets India's demand.⁹⁴

61. Another promising line of cooperation would be to combine India's capacities in software with Russia's experience in software export. As for innovations, it would be wise to consider targeted support for Russian projects coming from the Skolkovo Innovation Center. Particular attention should be paid to attracting Indian investments for Russian innovative projects that could enter the Indian market. For example, Russia and India have already made the decision to jointly develop and introduce GLONASS/GPS satellite navigation services in India.⁹⁵

62. Russia and India have a good track record of cooperation in space exploration. 2015 marked the 40th anniversary of the launch of Aryabhata satellite on the Soyuz carrier rocket. On that occasion, the space agencies of the two countries signed a memorandum that would give an additional impetus for cooperation in the peaceful exploration and use of the outer space. The parties may establish collaboration in rocket and engine construction, spacecraft development (in-

⁹² Russia-India Trade and Economic Relations in 2014 // Foreign Economic Information Portal URL: http://www.ved.gov.ru/exportcountries/in/in_ru_relations/in_ru_trade/in_ru_trade_subjects/.

⁹³ Bilateral Relations // India's Embassy in Russia. Official Site. URL: <http://www.indianembassy.ru/index.php/ru/2013-07-06-11-02-37/2013-07-06-10-56-05>

⁹⁴ Russia's and India's Scientific and Technical Cooperation // Nano News Net. June 10, 2015. URL: <http://www.nanonewsnet.ru/news/2015/nauchno-tekhnicheskoe-sotrudnichestvo-rossii-indii> (in Russian).

⁹⁵ GLONASS Signs Cooperation Agreement with Biggest Landline Operators in India. // GLONASS. December 24, 2012. URL: [http://www.nis-ghonass.ru/press/news/2654/\(in-Russian\)](http://www.nis-ghonass.ru/press/news/2654/(in-Russian)); GLONASS Signs Memorandum on the Creation of a Joint Venture in India // CNews. December 11, 2014. URL: http://telecom.cnews.ru/news/2014/12/11/np_ghonass_podpisalo_memorandum_o_sozdanii_sovmestnogo_predpriyatiya_v_indii_590747 (in Russian).

cluding spacecraft designed for long-distance Earth probing and space meteorology) and satellite navigation.

63. Introducing a free trade regime between India and the EEU may also contribute to expanding Russia–India trade cooperation. A joint research group has been formed and is already working on the issue; it will present its conclusions on the feasibility of such an agreement.⁹⁶

64. Cooperation in tourism is very promising. It is particularly relevant now that Egyptian and Turkish resorts are “closed” to Russians. India, with its rich recreational potential, could become a worthy substitute for the Middle East. In 2014, a total of 217,000 Russian tourists visited India. Over the first nine months of 2015, India welcomed 69,000 Russian guests.⁹⁷ Specific steps to stimulate the flow of tourists must be taken, such as simplifying the process of obtaining a visa to India (since 2016, for instance, visas to India can be obtained online without visiting a consulate or a visa centre) and carrying out a more aggressive advertising campaign in Russia to promote Indian hotels. India might become the first country to sign an agreement with Russia on the mutual issuance of tourist visas valid for six months.⁹⁸ The Federal Agency for Tourism of the Russian Federation (Rostourism) will open a Visit Russia centre in India in 2016 to attract tourists to Russia. Similar centres are already operating in Helsinki, Berlin, Dubai and Beijing with great success.⁹⁹

⁹⁶ Chairman of the Eurasian Economic Commission Viktor Khristenko Discusses the Development of Cooperation between the EEU and India with the Minister of Commerce and Industry of India Nirmala Sitharaman // Eurasian Economic Commission. June 18, 2015. URL: <http://www.eurasiancommission.org/ru/nae/news/Pages/18-06-2015-6.aspx> (in Russian).

⁹⁷ Most Popular Destinations for Russians Citizens // Official Site of Rostourism. URL: http://www.russiatourism.ru/contents/statistika/statisticheskie-pokazateli-vzaimnykh-poezdok-grazhdan-rossiyskoy-federatsii-i-grazhdan-inostrannykh-gosudarstv/naibolee-populyarnye-napravleniya-po-vyezdu-grazhdan-rossiyskoy-federatsii-za-rubezh?sphrase_id=196042 (in Russian).

⁹⁸ Russia and India to Continue to Simplify the Visa Regime // TASS. December 15, 2015. URL: <http://tass.ru/politika/2528838> (in Russian).

⁹⁹ Rostourism Plans to Open *Visit Russia* Offices in Iran and India // RIA Novosti. December 9, 2015. URL: <http://ria.ru/world/20151209/1339236921.html> (in Russian).

3. Russia–India Relations: Toward a New Agenda in Military-Technical Cooperation

3.1. Features of India’s Arms and Military Equipment Market

65. India is one of the largest national weapons markets in the world, ranking ninth on the list of countries with largest military expenses.¹⁰⁰ However, India’s military–technical cooperation with other countries pursues the only goal of improving the country’s security. It is thus unlikely to have a negative impact on South Asia’s regional security.

66. The Indian elites (with the support of a large part of the population) are set to considerably build up the country’s arsenal, viewing this process as a factor in containing the “geopolitical expansion” of China – India has traditionally had complicated relations with China since the border conflict of 1962 – and as a means of implementing India’s military political doctrine, aiming at transforming the Elephant into the leading power “from Suez to Singapore.” During its election campaign, the BJP announced that it would pursue the goal of “developing indigenous defence technologies.”¹⁰¹ The Party’s manifesto also indicated its intentions to stimulate India’s military production, both for its own military and for export. The first budget adopted after Modi’s victory increased defence spending to 2.29 trillion rupees (\$38.35 billion), and the new 2015–2016 budget increased spending yet again to 2.46 trillion rupees (\$40 billion) in order to completely modernize the sector.¹⁰²

67. India purposefully diversifies its market with a wide variety of weapons produced by foreign manufacturers of arms and military equipment. It strives to saturate its military–industrial complex with scientific and technical types of production, including a broad “naturalization” of foreign ideas and R&D. The principal goal is to stimulate original ideas and solutions in military production. Moreover, the Indian government’s decision to increase the share of private capital in the defence sector, including foreign capital, from the current 26 per cent to 49 per cent, may sharply increase the interest of foreign companies and lead to a greater competition on the market.¹⁰³

68. Nonetheless, even with its growing ambitions to develop the national defence industry, India is still having difficulties solving serious institutional problems in the sector’s development. India’s defence programmes supervised by the De-

¹⁰⁰ CAWAT-2013 Yearbook: Statistics and Analysis of World’s Weapons Trade // The Centre for Analysis of World Arms Trade (CAWAT). 2013. Chapter 1, p. 20. URL: http://www.armstrade.org/files/yearly_2014_1_1.pdf (in Russian).

¹⁰¹ Ek Bharat – Shreshtha Bharat. Election. Manifesto 2014. SabkaSaath, SabkaVikas // Bharatiya Janata Party 2014, p. 38. URL: http://www.bjp.org/images/pdf_2014/full_manifesto_english_07.04.2014.pdf.

¹⁰² Total Expenditure of Ministries/Departments / Expenditure Budget Vol. I, 2014–2015 // Ministry of Finance, Government of India. URL: <http://indiabudget.nic.in/ub2014-15/eb/stat02.pdf>; Total Expenditure of Ministries/Departments / Expenditure Budget Vol. I, 2015–2016 // Ministry of Finance, Government of India. URL: <http://indiabudget.nic.in/ub2015-16/eb/stat02.pdf>.

¹⁰³ Cabinet Approves Raising FDI Cap in Defence to 49 Per Cent, Opens Up Railways // The Economic Times. August 7, 2014. URL: http://articles.economicstimes.indiatimes.com/2014-08-07/news/52555932_1_defence-sector-cent-fdi-railways-sector.

fence Research and Development Organisation (DRDO) are characterized by regular failures to meet deadlines, overexpenditure and technical adventurism. Despite extensive international cooperation and growing expenses, the prospects of India achieving self-sufficiency in the military sector are still uncertain.

69. A specific feature of India's military–technical cooperation is the tendency to purchase weapons systems that are specifically tailored to the individual requirements of Indian customers. Centre for Analysis of World Arms Trade (CAWAT) data indicates that in 2013, India was the world's third largest importer of military equipment after Saudi Arabia and Qatar.¹⁰⁴ In 2014, it ranked first.¹⁰⁵ However, data published by the Stockholm International Peace Research Institute (SIPRI) have India in first place since 2013.¹⁰⁶ Elements of on-board equipment and weapons from various manufacturers are integrated mostly into all newly purchased aircraft and maritime platforms. This military–technical policy results in New Delhi gaining access to the maximum number of technologies available on the market. Moreover, for several decades, India has combined purchasing large consignments of weapons with purchasing licenses for manufacturing them. Thus far, however, Indian industry has experienced significant difficulties in developing the licensed production of complex weapons systems. In the foreseeable future, India's national defence industry is unlikely to ensure import substitution.

70. Since the early 1980s, India attempts to implement its own national programmes to create major weapons systems. Up until now, the majority of projects have not been brought to the serial production stage, and India's results in creating a developed national military–industrial complex (MIC) do not appear promising. For instance, the Indian tank Arjun is still underdeveloped and very unreliable. The only success, albeit limited, has been achieved in the creation of ballistic missiles and in certain areas of defence electronics and space equipment.

71. Since the early 1980s, India has used tenders to procure weapons and military equipment in domestic political battles. The political opposition invariably declares the results of tenders to be against the country's interests and accuses the ruling party of corruption. By now, this practice has led to tenders being significantly slowed down: they either drag on interminably out of fears that they may cause a political crisis, or their results are annulled and the tenders are announced anew. A case in point is the story with the MMRCA tender for the procurement and subsequently license–manufacturing of medium–range multirole fighters.¹⁰⁷ In 2012, ten years after the tender was first announced, the French company Rafale was declared the winner, but in August 2015, the tender's results were officially annulled.

¹⁰⁴ CAWAT-2013 Yearbook: Statistics and Analysis of World's Weapons Trade // The Centre for Analysis of World Arms Trade (CAWAT). 2013. Chapter 4, p. 498. URL: http://www.armstrade.org/files/yearly_2014_41.pdf (in Russian).

¹⁰⁵ 2014 Preliminary Results: WAMT Global Exports/Imports Amounted to Over \$74 Billion // CAWAT. December 29, 2014. URL: <http://www.armstrade.org/includes/periodics/mainnews/2014/1229/095527276/detail.shtml> (in Russian).

¹⁰⁶ TIV of Arms Imports to the Top 50 Largest Importers, 2013–2014 // SIPRI. URL: http://armstrade.sipri.org/armstrade/html/export_toplist.php.

¹⁰⁷ Makienko K. India's MMRCA Tender: Lessons and Implications for Russia // Odnako. August 13, 2015. URL: <http://www.odnako.org/blogs/indijskiy-tender-mmrc-a-uroki-i-vivodi-dlya-rossii/> (in Russian).

3.2. State, Problems and Prospects of Russia–India Military-Technical Cooperation

72. Russia–India military–technical cooperation is both systemic and long–term. India is the only country in the world to implement a long–term cooperation programme in the weapons sector with Russia. The programme is intended to run for 10 years, from 2011 to 2020. The India–Russia Intergovernmental Commission for Military–Technical Cooperation plays a significant role in developing this line of cooperation. The Commission is presided over by the Russian and Indian ministers of defence. Russia is the principal exporter of arms and military equipment to India. In 2010–2014, Russia’s share of military technology supplies to India was about 70 per cent.¹⁰⁸ The estimated value of the contract portfolio is about \$35 billion.¹⁰⁹ Currently, the Russia–India MTC programme includes around 200 joint projects.¹¹⁰ Cooperation should be developed in the areas most successful for Indian industry including electronic components for aviation and space technology. Collaboration of the kind will reduce the impact of Western sanctions on Russia. Joint development of industrial machinery for military complex is also promising.

73. Today, Russia and India carry out several promising programmes, such as designing multirole fighter and multirole cargo aircraft, licensed manufacturing of SU–30MKI aircraft and T–90S tanks, designing and manufacturing BrahMos cruise missiles, and modernizing MiG–29 aircraft and 877EKM submarines.¹¹¹

74. In the near future, Russia’s share on the Indian market may decrease, although it will retain its leadership in absolute terms, due to India’s diversification policy and the accelerated development of its own defence industry, as well as intense competition with other global weapons’ manufacturers. India consistently insists on quality control of the products exported to India by Russia’s state agencies and on post–sales maintenance, and it raises the issue of intermediaries in Russia–India military–technical cooperation.

75. Today, Russia can offer India a wide range of modern weapons up to drones and multirole robotic systems. This has become possible as a result of the large–scale programme of investments in the Russian MIC. The devaluation of the Russian rouble is an additional competitive advantage. The operation carried out by the Russian Aerospace Defence Forces in Syria turned out to be an effective “advertising campaign” for Russian weapons.

76. Russia–India MTC has a positive effect on the industrial structure of the Russian economy due to long–term programmes and consistently large pur–

¹⁰⁸ Wezeman P.D., Wezeman S.T. Trends in International Arms Transfers // SIPRI, March 2015, p. 6. URL: <http://books.sipri.org/files/FS/SIPRIFS1503.pdf>.

¹⁰⁹ India Prefers Russian Fighters // RIA Novosti. October 27, 2015. URL: <http://ria.ru/analytics/20151027/1308897898.html> (in Russian).

¹¹⁰ Russia and India to Discuss Hi-Tech Aviation Projects // RIA Novosti. February 18, 2015. URL: <http://ria.ru/world/20150218/1048277600.html#ixzz3zkynvxEG> (in Russian).

¹¹¹ Minister of Defence of the Russian Federation Took Part in the Meeting of the Russia-India Intergovernmental Commission on Military-Technical Cooperation // Official Site of the Ministry of Defence of the Russian Federation. November 2, 2015. URL: http://function.mil.ru/news_page/country/more.htm?id=12062397@egNews (in Russian).

chase amounts. Russia must offer India unique solutions and operational and sub–strategic level technologies (anti–missile defence, missile warning systems, nuclear submarines and missile technologies) and link the possibility of selling such weapons to the procurement of conventional arms.

77. Breakthroughs are needed in Russia–India MTC. They could include a large–scale project of a national missile warning system and anti–aircraft defence (the Indian system is based on obsolete Soviet technologies). India is greatly interested in creating a modern missile defence system. In this line of cooperation, Russia could offer India its new inventions, in particular, when it comes to a long–range anti–aircraft defence system with significant anti–missile capacities, the Antey–2500 anti–ballistic missile system, the Tor–M2E–2 and Buk–M2E missile systems, and new modifications such as the S–400 (and S–500 in the future). Negotiations on the delivery of five battalions of S–400 to India are at the advanced stage.¹¹²

78. The development of a joint Russia–India Fifth Generation Fighter Aircraft (FGFA) based on the Russian T–50 fighter for the Indian Air Force is an important area of cooperation. Sukhoi Company and Indian Hindustan Aeronautics Limited have already agreed on all the technical details. According to unofficial sources, the parties have agreed to lower the cost of designing the FGFA to \$4 billion for each side.¹¹³ The parties reached a compromise in terms of the fighter’s equipment: both India’s Astra and Russia–India BrahMos missiles. In the Indian FGFA, the pilot will be joined in the cockpit by a weapons operator.¹¹⁴ There is already some progress on the contract for FGFA development that may be concluded in the coming months.¹¹⁵

79. The Russian–made *Sindurakshak* submarine accident (the vessel sank in August 2013, according to available data, due to a human error) has forced India to tackle the important problem of reequipping its submarine fleet as soon as possible. It is quite possible that under the circumstances the Indian government will attempt to push the long–planned tender for procuring six new non–nuclear submarines forward. It is vitally important that the Russian defence industry take part in this tender.

80. Russia–India participation in joint projects involving third countries looks both promising and profitable for both parties. Such participation could involve supplying finished products to third countries, or using Russia’s and India’s manufacturing and engineering resources to design new equipment. The Russia–India BrahMos consortium is involved in negotiations on supplying its missiles to Vietnam. The negotiations have already reached an advanced stage. If the deal is successfully closed, Vietnam will have powerful supersonic missiles capable of striking enemy vessels or ground targets at the distance of 300 kilo–

¹¹² The Defence Acquisition Council of India Approves Purchase of Five S-400 systems // TASS. May 11, 2016. URL: <http://tass.ru/armiya-i-opk/3274077> (in Russian).

¹¹³ India and Russia to Cut the Cost of Fifth Generation Fighter // RIA Novosti. January 25, 2016. URL: http://ria.ru/defense_safety/20160125/1364736963.html#ixzz3zC9LJieK (in Russian).

¹¹⁴ India to Purchase 150 Sukhoi PAK FA // Politikus. November 2, 2015. URL: <http://politikus.ru/industry/61901-indiya-kupit-poltory-sotni-pak-fa.html> (in Russian).

¹¹⁵ India’s Fifth Generation Fighter Jet Deal with Russia on Cards Soon // DNA Correspondent. May 28, 2016. URL: <http://www.dnaindia.com/india/report-india-s-fifth-generation-fighter-jet-deal-with-russia-on-cards-soon-2217339>

metres. Negotiations are currently under way on the supply of BrahMos missiles to the United Arab Emirates, Chile and South Africa.¹¹⁶

When Prime Minister of India Narendra Modi made an official visit to Russia in December 2015, a cooperation agreement was signed on helicopter manufacturing. The agreement entails the production and modification of no fewer than 200 Ka-226T helicopters and its versions. The helicopters are intended to be sold to third countries.¹¹⁷

81. India constantly raises the issue of delayed shipments of spare parts for military equipment purchased in Russia. These delays are to a great degree due to the cumbersome bureaucracy of Russian partners. Letters of complaint sent to Russian factories pass through Rosoboronexport, which leads to months-long delays in responses. It would be advisable to respond within the same time periods that Russia's Western competitors use to respond to similar queries and complaints (replacing a unit takes three to four days). Such an approach is possible if a list of companies that have already proved themselves reliable could be agreed upon, and these companies would be able to directly and immediately rectify any deficiencies in their products. Servicing and lifetime maintenance of Russian technical equipment must be set up as well, as India's other suppliers have done.

82. Although Russia and India occasionally have disagreements concerning the economic and technical aspects of various projects, there has never been a major scandal over theft of Russian intellectual property between the two countries. India continues to be Russia's natural partner in manufacturing licensed equipment.

83. A relevant and aggressive information campaign must be put together with regard to military cooperation in order to neutralize the negative propaganda paid for by the competitors of Russian companies. Particular attention should be given to India's specialized military-technical magazines. It is these magazines that shape the opinions of the national military elite and the MTC decision-makers.

¹¹⁶ India and Russia Agree to Export BrahMos, World's Fastest Anti-Ship Cruise Missile // Financial Express. May 27, 2016. URL: <http://www.financialexpress.com/economy/india-russia-team-up-to-export-worlds-fastest-anti-ship-cruise-missile-brahmos/266967/>.

¹¹⁷ The Ka-226T Manufactured by India and Russia May Be Sold to Third Countries // RIA Novosti. January 29, 2016. URL: http://ria.ru/defense_safety/20160129/1366923670.html (in Russian).

4. Problems of Russia–India Educational, Scientific and Cultural Cooperation

4.1. Improving Russia’s Image in India: Opportunities and Problems

84. Russia is perceived as a potential geopolitical ally that could help India achieve a higher status in international relations. Such popular in India concepts as BRICS and (to a lesser extent) the Russia–India–China “triangle” contribute to a positive image of Russia–India bilateral relations. Drawing upon this potential, it would be wise to emphasize the fact that Russia and India have equal partner relations and that economic interaction is not limited to trade but is fully fledged and includes exchange of knowledge and technologies.

85. Russia’s positive image is largely linked to the country’s great culture and literature and its leading positions in space exploration, nuclear energy and weapons manufacturing. These factors create favourable conditions for developing cooperation in these spheres. However, beyond these areas, India sees Russia as a country lagging behind economically.

86. Bilateral cultural, scientific and educational cooperation takes place against the background of strong competition over influence in India, and the United States has the greatest advantage here. Russia has been losing its advantages in India in recent decades, mostly due to the lack of adequate information and communication tools. The Indian media space is dominated by the Western point of view on events in Russia and the world. This prompts New Delhi to further re–orient toward interaction with other countries.

87. The main negative factor in Russia–India relations is a dominant approach to India in Russia as a relatively secondary power naturally provoking a similar approach in India. Thus, the 2012 “Nonalignment 2.0: A Foreign and Strategic Policy for India in the Twenty First Century” report puts Russia on the list of countries of third–rate importance for India.¹¹⁸ Official documents do not contain such assessments (on the contrary, they emphasize the importance of partnership with Russia¹¹⁹), yet such statements reflect the views that do exist in India. The fundamental notions of Russia are largely based on the information from Soviet times. More than half the population of India believes that Russia and the USSR are the same country, and that it just changed its name. Only a fraction of the population has considerable information about Russia, and this is typical for people from all social strata, including the educated and economically active. There is a severe deficit of information: the traditional Indian information channels offer their audiences virtually no information about Russia today.

¹¹⁸ Khilnani S., Kumar R., Mehta P.B., Menon P., Nilekani N., Raghavan S., Saran S., Varadarajan S. Nonalignment 2.0: A Foreign and Strategic Policy for India in the Twenty First Century // Centre for Policy Research. February 29, 2012. URL: http://www.cprindia.org/sites/default/files/NonAlignment%202.0_1.pdf.

¹¹⁹ Annual Report 2014–15 // Ministry of External Affairs of India. URL: http://mea.gov.in/Uploads/Publication-Docs/25009_External_Affairs_2014-2015__English_.pdf.

88. Russia and India traditionally pay significant attention to strengthening cultural cooperation. Projects implemented under this policy help the peoples of both countries better understand each other and study the cultural and religious customs of the peoples of Russia and India. Significant projects include the Year of Russia in India (February–December 2008), and the “reciprocal” Year of India in Russia that took place in 2009. Festivals of Culture have been held since 2011. The 2014 Festival was the biggest cultural event in India that year in terms of the number of visitors.¹²⁰ The most recent Festival, “Namaste Russia,” took place from May to November, 2015.¹²¹ The full and rich programme attracts citizens of both countries. The First International Yoga Day held on June 21, 2015 in over 60 Russian regions attracted over 45,000 people.¹²² The events were mostly organized by the Russian centres of science and culture in New Delhi, Mumbai, Calcutta, Chennai and Trivandrum, and the Jawaharlal Nehru Cultural Centre in Moscow.

4.2. Russian and Indian Media: Toward a New Quality of Cooperation

89. The Russian and Indian media do not perform their primary function of objectively covering events in the two countries. Attention is focused on negative events in both states and on the problems in bilateral relations, especially when it comes to military–technical cooperation. Reports on the meetings between the leaders of the two countries no longer make it to the front pages. This problem could be overcome by monitoring the media in order to determine the authenticity and accuracy of information about India and Russia–India relations. Journalists’ mistakes damage Russia’s image in India. The events of the early 1990s had a negative impact on Russia’s image in India. Besides, the years of accelerated economic development have significantly altered the value system of Indian society by enhancing the role of market pragmatism, now used as the measure of assessment of various facts and prospects. As a result, an extremely low level of interpersonal contacts between the citizens and between the representatives of the business communities of the two countries is observed.

90. Analyzing and subsequently strengthening existing means of Russia’s soft power in India (Russian university alumni associations, etc.) would allow to shape a suitable method for interacting with the Indian audience, as well as with the Russian diaspora in India and Indian diaspora in Russia. There should be programmes for inviting Indian journalists, students and winners of various competitions and quizzes on the Russian language and Russia to the country. The Federal Agency for the Commonwealth of Independent States, Compatriots Living Abroad and International Humanitarian Cooper-

¹²⁰ Russian Culture Festival the Most Attended Arts Event in India // TASS. December 22, 2014. URL: <http://tass.ru/kultura/1665412> (in Russian).

¹²¹ Indian Arts Festival Namaste Russia Over in Russia // Official Site of the Ministry of Culture of the Russian Federation. November 17, 2015. URL: <http://mkrf.ru/press-center/news/ministerstvo/v-rossii-zavershilsya-festival-indiyskoy-kultury-namaste-rossiya-> (in Russian).

¹²² India-Russia Bilateral Relations // Official Site of the Embassy of India in Russia. URL: <http://www.indianembassy.ru/index.php/ru/2013-07-06-11-02-37/2013-07-06-10-56-05> (in Russian).

tion (Rossotrudnichestvo) could coordinate these efforts. It is important to create special communication formats with the younger generation in India and segment the target audience for the Russian media in India.

91. In order to improve Russia's image in India, it is necessary to set up and systematize efforts to publicly promote the projects of Russian companies and corporations in India. In addition, funds should be allocated to finance the publishing of Russian materials in the Indian press on particularly important for Russia subjects.

92. Russia should insist that India open new offices for its media outlets in Moscow. Only one correspondent from the United News of India (UNI) information agency works in Moscow on a permanent basis. India's largest information agency India (PTI) closed its office in January 2012. In July 2014, The Hindu newspaper closed its office.

93. Rossiya Segodnya and TASS should expand their activities in India, and particular emphasis should undoubtedly be placed on shaping a positive image of Russia. Additional agreements need to be signed with India's largest media holdings (Hindustan Times and The Times of India), which would include offering materials prepared by Russian journalists and covering Russia and Russia's policies on the pending issues of the global agenda to the Indian media. Creating a special English–language online publication for India should be considered.

94. Significantly expanding the use of Hindi in Russia's information work with India should be considered. When the nationally oriented BJP came to power, the Hindi language began to be used noticeably wider, and this trend will persist. In his official speeches, Narendra Modi often uses only Hindi instead of English. Greater use of Hindi in Russia's information activity will be welcomed by India's nationally oriented audience.

95. In 2014, Russia's TASS information agency signed information cooperation agreements with India's two leading information agencies: the Indo-Asian News Service (IANS) and the Press Trust of India. These agreements became the first official documents to be concluded between mass media outlets of the two countries since the collapse of the USSR. The agreements provide for exchanges of news information in English; exchanges among professionals in the form of mutual visits and internships; and covering events and projects implemented as part of bilateral relations, as well as significant events in the Russian and Indian regions.¹²³ During Modi's visit to Moscow in December 2015, JSC Digital Television (JSC DT) and Indian state broadcasting company Prasar Bharati concluded a memorandum on interaction in television broadcasting.¹²⁴ It is important to create favourable conditions to develop the agreements already in place, particularly in exchanging experience and information between the journalists of the two countries.

¹²³ TASS Agreed on Information Exchanges with Two Leading Media Agencies in India // TASS. December 11, 2014. URL: <http://tass.ru/obschestvo/1639667> (in Russian).

¹²⁴ Russia and India Agreed on Mutual Travels Facilitation // RIA Novosti. December 24, 2015. URL: <http://ria.ru/east/20151224/1348356798.html#ixzz3zCHUQb00> (in Russian).

4.3. Education, Academic and Cultural Exchanges

96. Since the middle of the 20th century, Soviet and Russian universities have educated a total of over 13,000 professionals for various sectors of India's economy. Today, Russia must resume attracting large numbers of Indian students to study at Russian universities. For this purpose, a large-scale programme for attracting Indian students should be developed in collaboration with Russian universities. The programme should also involve Indian professionals who have studied at Soviet universities and currently hold high-ranking positions in the Indian education system. This area is of crucial importance for Russia's image and commercial attractiveness of Russian universities. India still highly values Russian higher education in medicine and engineering, yet the lack of relevant information on higher education in Russia, poor understanding of the situation regarding the international recognition of Russian degrees and concerns for personal safety undermine the competitiveness of the Russian education system in the Indian education market. In order to overcome this problem annual Russian, mostly federal, universities fairs in India could be held. It is necessary to speed up the development of intergovernmental agreements on recognizing Russian degrees.

97. It is necessary to strengthen ties in higher education and gear Russian universities toward expanding cooperation with Indian partners (carrying out exchanges for professors and students, holding joint conferences and seminars, publishing joint works in Russian, etc.). Given the tradition of teaching Hindi in Russia, Hindi studies in universities should be promoted, not only for future linguists and interpreters, but also for professionals in applied disciplines. A system of internships and studies for Russian students studying Hindi and other South Asian languages should be set up in Indian universities.

98. Particular attention should be paid to strengthening academic cooperation. The proper development of Russia–India relations requires expert conferences on foreign and military policy on bilateral and multilateral basis to be held regularly, in particular, within the framework of the SCO, RIC and BRICS. Some work has already been done in natural and exact sciences. In December 2010, the Government of the Russian Federation and the Government of India signed the Integrated Long-Term Program (ILTP) for Cooperation in Science, Technology and Innovations for the Period up to 2020. In its current stage, the programme covers a wide range of scientific disciplines and includes about 60 joint projects. Leading research centres of the two countries are involved in bilateral projects (more than 70 Russian institutes and over 50 Indian institutes and laboratories). The following centres are already operational: seismological (New Delhi); biotechnological (Allahabad); powder metallurgy and new materials (Hyderabad); manufacturing polyvalent vaccines (Bulandshahr); and gas-hydrates research (Chennai). Specialists from the Lebedev Physical Institute of the Russian Academy of Sciences together with their Indian colleagues developed lasers intended to treat tuberculosis. The lasers were given to the Indian side, which paved the way for a specialized anti-tuberculosis centre in country. The Institute for Computer Aided Design in Moscow served as a basis for the joint Computer Research Centre (RICRC) to model atmospheric processes, carry out research in microelectronics, medicine, seismology, environmental

studies, etc. In 2009, joint work was completed on creating Padma–Ru super-computer.¹²⁵

99. Given the popularity of Indian films among a certain part of the Russian population, various film weeks and retrospective shows of popular Russian and Indian directors should be held more frequently. In 2014 and 2015, Indian Film Festivals had a great success in Moscow. It would also be advisable to translate the best works of Russian literature into Hindi and India's other national languages. When holding cultural events, particular attention should be paid to advertising. Thus far, the Indian public has very little knowledge about forthcoming events. When promoting popular Russian books, films and TV shows, it would be wise to attract not only state, but also private financing.

100. A special mechanism should be created to promote closer cooperation with the Indian diaspora in Russia. The Embassy of India in Moscow estimates the Indian community to be about 15,000 people. What is more, there are about 1,500 Afghan citizens of Indian descent living in Russia. Although the majority of the diaspora does not belong to the policy-making community, they could contribute more to developing trade, economic and cultural ties between Russia and India. The Indian Business Alliance could act as a priority partner here, and its representatives should be more involved in expert meetings. This work should be done while taking into account linguistic and ethnic diversity, as well as various regional interests of the diaspora members, into account.

¹²⁵ Russia-India Scientific and Technical Cooperation // Official Site of the Ministry of Foreign Affairs of the Russian Federation. July 5, 2013. URL: <http://archive.mid.ru/bdomp/ns-rasia.nsf/1083b7937ae580ae432569e7004199c2/2572e2a5f2ca3c52442579570034097b!OpenDocument> (in Russian).

Conclusions and Recommendations

India is a long-standing and reliable partner of Russia. Relations between the two countries are time-tested. They are developing dynamically and consistently. They are based on the many years of experience in cooperation and on a high level of political trust. However, problems and subjects requiring a balanced approach and comprehensive solutions persist in bilateral relations. The current model of interaction has largely exhausted itself, and cooperation should be taken to a qualitatively new level. The mechanisms of the Russia–India partnership should be fine-tuned, taking into account the accumulated positive experience of interaction in culture, science, education, politics and the untapped potential of economic ties between the two countries.

In Trade and Economy:

1. It is necessary to substantially modernize the contractual and legal basis of cooperation and remove administrative barriers hindering the movement of capital, services and labour. A free trade agreement between the Eurasian Economic Union and India (taking into account the strengths and weaknesses of a similar agreement already signed between the EEU and Vietnam) needs to be thoroughly discussed.
2. It is necessary to set out mutually acceptable business conditions, stimulate investment flows and greenlight mutual investments. The priority task is to finalize the update of the 1994 Agreement between the Government of the Russian Federation and the Government of the Republic of India for the Promotion and Mutual Protection of Investments, which is mostly declaratory. The new document should incorporate clearly stipulated mechanisms for dispute settlement and provide property protection and revenue repatriation guarantees for investors.
3. It is important to increase the efficiency of existing cooperation mechanisms at all levels – above all, to encourage direct contacts between the business communities of the two countries. President of the Russian Federation Vladimir Putin addressed the issue at a meeting with Russian and Indian entrepreneurs in December 2015. The panel sessions of the St. Petersburg International Economic Forum held in New Delhi in January 2016 entitled “Fulfilling the Indian–Russian Economic Promise” serve as an example. These sessions were attended by representatives of Russia’s leading companies and by the heads of Russian regions.
4. It is important to secure and consolidate new trends in the development of military-technical cooperation and, first and foremost, to transition from the “seller–buyer” model to large-scale joint breakthrough experimental designs such as Fifth Generation Fighters Aircraft (FGFA), Multi-Role Transport Aircraft (MTA) and BrahMos missiles. These weapons could both significantly enhance the defence potential of both countries and have excellent export prospects.
5. It is necessary to strengthen industrial cooperation and create close technological alliances and integrated manufacturing chains in those sectors where

both Russia and India have significant capacities in terms of personnel and resources. Particular attention should be paid to promoting innovation in Russia–India cooperation and stimulating Russian and Indian businesses to take a more active role in national import substitution programmes. An important step in this direction will be India’s participation as the main partner country in the International Industrial Trade Fair Innoprom-2016 traditionally held in Yekaterinburg.

In Culture, Science and Education:

1. Russian and Indian media should be more pro-active in covering events of great importance for bilateral relations. It is important that the media shape a positive image of Russia in India and vice versa. The needed legal framework is in place. Agreements have been signed between leading information agencies, and they must be fully implemented.
2. Priority attention should be paid to academic mobility, educational exchanges, creating joint master’s programmes, and even setting up joint universities. The Russian–Indian Association of Universities should contribute to this task; a declaration on creating this Association was signed in May 2015.
3. It is important that a single educational space be created. Full use should be made of the capacities of the SCO and BRICS network universities, and the issue of the mutual recognition of diplomas and academic degrees of the two countries should be thoroughly explored.
4. Russian education should be better promoted in India, a country where it is still valued rather highly. The annual New Delhi Russian Education Exhibition and Fair is not sufficient. It is necessary to spread success stories of Indian graduates from Russian universities, and involve the Indian Alumni Association of Soviet/Russian Academic Institutions. An additional advantage of Russian educational programmes is their relatively low cost due to the rouble’s devaluation.
5. It is necessary to expand the range of cultural events where Russia–India contacts have traditionally been vibrant; a greater number of cultural figures and larger audiences should be involved. The new Cultural Exchanges Programme currently being created by the Ministry of Culture of the Russian Federation and the Ministry of Culture of India for the coming years should place particular emphasis on these issues (the previous programme was completed in 2015).

In Foreign Policy:

1. It is necessary to involve India in settling violent conflicts around the world, solving pressing political issues, and reforming the international financial and economic architecture. India is a partner who always stands for balanced and thoughtful approaches to resolving major issues in global politics and violent regional conflicts. India’s foreign policy is fairly flexible and devoid of ideological clichés. At the same time, India has considerable weight and authority in terms of its foreign policy. Many Asian countries listen to New Delhi, particularly those that are wary of China’s strengthening positions on the global stage.

2. It is important to further expand Russia–India interaction on the international arena and to strengthen influential international formats such as the SCO and BRICS, which have already become the pillars of the global architecture.
3. It is necessary to more actively support India's claim for greater participation in international affairs, particularly in reforming the United Nations, expanding the number of permanent members in the Security Council.
4. It is necessary to use India's foreign policy as additional support when discussing the issues of a more just world order, agreeing on consolidated decisions on the most pressing issues of the international and regional agenda on international platforms.

About the Authors

Igor Denisov – Senior Research Fellow of Centre of East Asian and Shanghai Cooperation Organization Studies of the Institute for International Studies at MGIMO–University.

Oleg Popadyuk – Ph. D. in Law, lecturer at MGIMO–University, expert on Russia–India relations. Author of nine articles and a monograph on South Asia.

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President of RIAC Igor Ivanov, Corresponding Member of the Russian Academy of Sciences, served as Minister of Foreign Affairs of the Russian Federation from 1998 to 2004 and Secretary of the Security Council from 2004 to 2007.

Director General of RIAC is Andrey Kortunov. From 1995 to 1997, Dr. Kortunov was Deputy Director of the Institute for US and Canadian Studies.