

Interview of Ambassador of India
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QUESTION 1: Your Excellency, Ambassador, could you tell what are the main bilateral cooperation matters will be discussed in India during the upcoming visit of the Russian President Vladimir Putin? What results does India expect from the Russian official visit?

Answer: This is the first India-Russia Summit with the new government in office in India. The two leaders have already met twice this year but the Annual Summit gives them the opportunity to comprehensively review the current status of our relations, which cover virtually every area of human endeavor, and to articulate their vision for the course of our strategic and privileged partnership in the coming years. Besides, we expect that at the Summit a number of decisions would be made to further strengthen our cooperation in the field of defence, nuclear energy, space, trade & investment, hydrocarbons & other natural resources, science & technology, health, education, media and culture. There are particularly exciting opportunities to enhance our economic cooperation to the level commensurate with the complementarities between the economies of our two countries.

QUESTION 2: Russia for the past few years has intensified its strategic cooperation with the East. Does India, as a growing nation and an economic power, want to be a part of this growing activity?

Answer: History, geography, politics, economy and culture link India intimately with the Southeast Asian and East Asian regions. We are already engaged with our eastern partners - both bilaterally and multilaterally. The recent visits of our Prime Minister to Japan and Myanmar (for the India-ASEAN & East Asia Summit, where he met the leaders of countries of the region) are indicative of the depth and priorities of our relationship with the region. We have also had important visits to India from the region, including that of the President of the People's Republic of China. At the ASEAN Summit in Myanmar, our Prime

Minister unveiled the 'Act East' policy to begin a new era of economic development, industrialization and trade ties with our eastern partners.

QUESTION 3: What are the perspectives of India joining the Eurasian Economic and Customs Union in the nearest future?

Answer: We have been in regular discussion with the Eurasian Economic Commission about measures to strengthen the economic engagement between India and the Customs Union, which will soon become an Economic Union. We expect to create concrete institutional mechanisms soon for structured discussions on this between India and the Union.

QUESTION 4: Your Excellency, what impact may western sanctions against Russia and Russian sanctions against the EU (that were imposed in response to the American and the EU sanction regime) have on the Russian-Indian bilateral interaction? What are the industries that have the greatest potential in current conditions?

Answer: The relations between India and Russia have always been characterized by long-standing friendship and mutual trust. Our relations are not determined by external factors. We continue to make strong efforts to strengthen our bilateral interactions, particularly by increasing trade exchanges and exploring avenues for stepping up mutual investments.

QUESTION 5: As for the Russian-Indian economic cooperation, experts from both sides agreed on the fact that it does not fit with the current level of political partnership. What are the reasons for the slow grow of our economic cooperation?

Answer: I believe that the main reason is lack of full awareness about opportunities available in the Russian market for the Indian business community and vice-versa. Other than this, all conditions are in fact very favorable to a quantum jump in trade and investment flows. Our bilateral relationship is strong; we have regular people-to-people exchanges and many cultural affinities;

and there are complementarities in our economies that encourage mutually beneficial economic exchanges. I think more regular exchanges of business delegations and participation in business-to-business meetings should promote this objective. We are working on a number of initiatives to promote more efficient information flows between the two countries, including stronger cooperation between regions.

QUESTION 6: Your Excellency, can you share your opinion on current level of the Russian-Indian political partnership?

Answer: India and Russia have enjoyed a long-standing relationship of friendship and mutual trust, spanning over many decades. It is a partnership built on shared convictions, strategic convergences and identity or similarity of use on major issues of international concern. Our political relations are reflected in an extensive network of bilateral consultations mechanisms, as well as cooperation within the United Nations, G-20, BRICS and a number of other formal and informal multilateral groupings. Our political relations are enriched by regular exchanges of high level bilateral visits, including at the highest levels and between our Parliaments. Besides the practice of Annual Summit meetings, which has continued since 2000, our leaders also meet in various other settings. Our PM and President Putin have already met twice in the last six months – on the sidelines of the BRICS Summit in July and at the G-20 Summit in November. Our PM also met the PM of the Russian Federation on the margins of the East Asia Summit in November. We are confident that the forthcoming visit to India of the President of the Russian Federation will provide fresh impetus to our already vibrant bilateral relations.

QUESTION 7: As far as the Russian-Indian Corridor is concerned, many experts believe that it can do wonders and boost the mutual trade volumes between two countries. What needs to be done in order for this transit route to become an active instrument of our economic cooperation?

Answer: Recently, the Ministry of Commerce & Industry of Government of India had conducted a trial run on the proposed International North-South Transport Corridor. The results of the study indicate that there will be considerable saving

in the transportation time as well as the freight cost if the cargo is exported from India to Russia through this corridor which will start from Mumbai to Bandar Abbas port in Iran, pass through Iran and then to Astrakhan in Russia over the Caspian Sea. We need to encourage exporters, freight forwarders and shipping companies to use this route in order to make it financially viable. The route has the potential to transform trading relations between our two countries.

QUESTION 8: Your Excellency, these days Russia and China have been very successful in using their national currencies in mutual trade. Is there an intention to shift to national currencies of India and Russia from dollar in bilateral trade?

Answer: India and Russia are working towards use of national currencies in bilateral trade. The Reserve Bank of India and the Central Bank of Russia are in the process of evolving modalities for settlement of transactions in national currencies. We feel that trading in local currencies will help enhance our bilateral economic and trade relations.

QUESTION 9: During the last visit of the Russian Deputy Prime Minister Dmitry Rogozin to India in June countries discussed the possibility of Sukhoi Superjet 100 (SSJ-100) planes to be assembled in India. Do we witness a shift in bilateral ties with the emphasis on military cooperation between two countries?

Answer: Since the coming to office of a new government in India, India and Russia have been in discussions on a number of new economic cooperation initiatives. The 'Make in India' initiative launched by our PM in September this year has received an enthusiastic response in Russia. We are discussing a number of proposals for joint manufacturing in India for systems and equipment, both for defence and for civilian applications. This has included aircraft and helicopters. We are confident that in the near future, we will take up a number of such projects for joint manufacturing.

QUESTION 10: Prime Minister Narendra Modi is among 50 contenders for the Time magazine's 'Person of the Year 2014' title to be announced next month. How does the Indian society react to these news? Isn't it an another occasion to celebrate the Indian national pride?

Answer: You are aware that in the recent parliamentary elections, India gave a decisive mandate to PM Modi. His new government has launched a number of initiatives to spur growth and development in India and to strengthen India's network of external relationships. We take pride in this new dynamism and we are always happy when the achievements of our country and of our PM get due recognition within and outside the country.

QUESTION 11: Your Excellency, can you share your opinion on the outcome of the situation with five Indian fisherman that were sentenced to death in Sri Lanka and just recently were released after President Mahinda Rajapaksa commuted their death penalty. The issue of fishermen is a very emotive matter for both Sri Lanka and India. Do you consider a fact of their release as a victory of the Indian diplomacy?

Answer: Sri Lanka is a close neighbor and valued partner of India. We have a tradition of resolving any bilateral issues that may arise in the framework of our strong and multifaceted bilateral relations, which includes a close rapport between the leaders of our two countries.

QUESTION 12: On the 6th BRICS summit in Brazil the group of countries signed the document to create the US\$100 billion BRICS Development Bank and a reserve currency pool worth over another US\$100 billion. In the light of the event, what are the perspectives and a role of BRICS at the world arena?

Answer: There is immense potential for intra-BRICS cooperation, as they constitute over 30% of the world land area, 42% of population and 21% of the global GDP. Besides, as our Prime Minister noted at the BRICS Summit, the member countries can intensify cooperation on counter terrorism, cyber-security, climate change, reform of the UNSC and in shaping the post-2015 development agenda, as well as the international trade regime under the WTO, so as to restore a climate of peace and stability in the world.

QUESTION 13: BRICS partners plan to establish a system of multilateral swaps that will allow to transfer resources to one or another country. Experts believe that if the current trend continues, soon the dollar will be abandoned by most of the economies-members of BRICS. Can you share your opinion regarding this trend?

Answer: That is a very large question. I would like to focus on our bilateral situation. As I mentioned, India and Russia have been discussing trade in national currencies as an initiative to significantly increase the volume of bilateral exchanges of goods. Our Central Banks have recently set up a Joint Working Group to work out modalities. There have also been talks between the Export-Import Bank of India (EXIM Bank) and the Vnesheconombank for a guarantees cooperation arrangement, by which they would facilitate loans in local currencies for Indian and Russian companies seeking to invest in each others' countries. This arrangement could boost mutual investment.
