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THE 17th INDIA-RUSSIA ANNUAL SUMMIT 2016: STRENGTHENING BILATERAL TIES AMIDST ANXIETY

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Goa- the new Russian tourist destination became an appropriate venue for the 17th Annual Bilateral Summit 2016 between India and Russia. Before the annual summit, India under its chairmanship successfully hosted the 8th BRICS Summit under the theme “Building Responsive, Inclusive and Collective Solutions”. The bilateral annual summit took place amidst India’s displeasure with Russia conducting its first military exercise with Pakistan post the militant attack on Army base camp in Uri area of Baramulla district killing 17 Indian soldiers on 20 September 2016. It is crucial to assess the outcome of the annual summit in order to gain a better understanding of the future course in the bilateral engagement taking into account the current developments in their respective foreign policy interests.

The mechanism to conduct annual summit every year between India and Russia is seen as a principle vehicle to advance their strategic

partnership in various fields. Continuing with the tradition, on 15 October 2016, the two time-tested partners signed a total of 16 agreements at the 17th annual bilateral summit. The most prominent of these (according to Russian business daily ‘Vedomosti’¹) include:

- Purchase of the S-400 Triumf air defence missile system (China had sealed the deal for the delivery of four S-400 missiles with Russia back in 2014),
- Construction of four frigates under Project 11356, one is to be built in Russia and three in India.
- A tripartite joint venture established between Rosoboronexport, Russian Helicopters and HAL to manufacture 200 Kamov Ka-226T light utility helicopters for the Indian Army. Of these 60 would be manufactured in Russia and the balance in India.



- Leasing of the second Project 971 nuclear attack submarine which is to undergo overhaul and upgrade in Russia before being leased out to the Indian Navy. The first Project 971 SSN also referred to as Chakra II was leased out to India, as per the 2007 agreement worth US\$900mn. According to Centre for Analysis of Strategies and Technologies, co-founder and co-director Konstantin Makienko, these are not the finalized contracts but rather MoUs (preliminary agreements) with a total value of \$6 billion.
- President Putin and PM Modi also agreed to launch the work for the third and fourth units of the Kudankulam Nuclear Power Project². India and Russia have also made progress on the General Framework Agreement and credit protocol for units 5 and 6. The documents are likely to be signed by the end of December.³ The two countries created an energy bridge by launching an industrial level working group led by Gazprom and a consortium of Indian oil and gas companies.⁴
- The largest outbound deal by a Russian company was made between Rosneft, along with its partners which bought India's Essar Oil in an all-cash deal. As per the agreement, Rosneft gets a 49 per cent stake in Essar Oil and the two partners, Netherlands-based Trafigura and a Russian fund United Capital Partners, will hold

another 49 per cent in equal parts. Minority shareholders will hold the remaining 2 per cent once the company is delisted.⁵

Other major initiatives include the setting up of a Science and Technology Commission between Department of Science & Technology (India) and Federal Agency for Scientific Organizations (FASO, Russia), collaboration in counter terrorism, MoU between ISRO and ROSCOSMOS on Mutual Allocation of Ground Measurement Gathering Stations for GLONASS AND NAVIC, agreement on cooperation in International Information Security, MoU for Cooperation between Indian and Russian railways in increasing the speed of trains between Nagpur- Secunderabad / Hyderabad and Russia agreeing to set up smart cities in India.⁶ Despite the display of strong partnership during the annual summit, many strategic thinkers argue that there is lack of vigour and uncertainties in the relationship given the recent developments in the partnership between Russia and Pakistan and India and the US. .

The path towards achieving foreign policy goals has led India to adopt a balanced approach towards all major powers to establish a 'comfort, secure and stable zone' to move ahead in current international relations. Despite this, many contemporary Indian leaders have defined Russia as our most reliable and trusted ally which is poised to play a significant role in assisting India achieving its global aspirations.

One such initiative has been in energy sphere mainly through nuclear sector which has fast emerged as the major plank in the partnership. The operationalisation of KKNPP 1 and Russia agreeing to build 12 new nuclear plants (during the 15th Annual Summit 2014) is a case in point. Defence cooperation continues to be of paramount importance as there is sale of advanced defence equipment, exchange of technological knowhow and joint military production such as the induction of INS Vikramaditya, successful development of BrahMos supersonic cruise missile. The 'Make in India' initiative is seen as an opportunity to explore new avenues to further strengthen the defence partnership. Current projects include joint production of Fifth Generation Fighter Aircraft, license to build 200 twin-engine Kamov Ka-226T light multi-role helicopters, sale of S-400 missiles and many more.

Although economic interaction continues to remain a weak link, there is progress as more agreements have been signed to boost cooperation between private sectors and state-run companies. Agreements have also been reached for the supply of rough diamonds, fertiliser, and pharmaceuticals. The functioning of North-South International Transport Corridor and Free Trade Area and Comprehensive Economic Cooperation agreement with the Eurasian Economic Union is set to strengthen trade and economic cooperation. Support to India's space programs is another field of

cooperation. Counter terrorism is also an area of bilateral cooperation as the countries are key targets of pan-Islamist fundamentalist terrorism emanating from across their borders.

India and Russia attach a lot of importance to their partnership which includes building relations at regional level. An effort in this direction is their role in Shanghai Cooperation Organisation (SCO). Central Asia is a dynamic chessboard to address India's interests, inadequacies and security concerns. It also holds strategic relevance as it provides a channel for external players to manage security of Afghanistan coupled with economic corridor and energy pipeline routes and resources. Completion of ambitious pipeline projects such as TAPI is seen as a game changer. SCO has only enhanced India's opportunity to establish itself on a larger scale regional actor alongside the support extended by Russia.

As international entities, both countries have unanimity in their approach on issues related to nuclear disarmament and non-proliferation, terrorism, transnational crime, other non-traditional security threats, environmental degradation etc. to carry forward their national goals. In addition, Russia has consistently backed India's stand on Kashmir, permanent membership of India in UNSC. India, on the other hand, abstained its vote during a US initiated UN Resolution against the Crimean Referendum. Hence, commonalities of interests

and concerns have demonstrated a constructive approach on several occasions between the two countries. Russia and India along with China, Venezuela, and Brazil intend to challenge the existing international system and have called for a multipolar system. The establishment of BRICS is a development in this direction.

Some of the predicaments in India-Russia bilateral relations are the diversification of their foreign policy interests, including defence markets. Growing proximity between India and the US has led to apprehension among Russian political elites. On the other side, strong bilateral relations between Russia and China through triumphant declarations, flourishing regional engagements sharing of advanced military technology, and Russia's defence agreements and military exercise with Pakistan has caused anxiety to India. Nevertheless, India and Russia acknowledge their relevance in the partnership and also understand the circumstances that have permitted their individual behaviour to reach out to others as a result of the dynamic nature of international politics.

The outcome of the 17th annual summit between India and Russia has displayed resilience and pragmatism. But the question that still remains— have the bilateral partners used this platform adequately to overcome the impediments in the partnership? So far the two countries have focused on the need for a long-term vision and realistic roadmap for “creating a

new path for growth” to address common interests and concerns. But this is not sufficient if they are to realize the path for growth as they also need to overcome apprehensions in the partnership. Failure to address this may lead to either ‘tolerance’ or ‘intolerance’—an aspect that is likely to hinder the progress and strengthening of the bilateral relations. In order to prevent further complexities in the partnership, the two countries need to clearly outline that in their quest to achieve national interests, the two would nevertheless stand united for mutual benefit and prospects.

(Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the position of the Centre for Air Power Studies [CAPS])

Notes

¹ Alexei Nikolski, “Russia and India will cooperate for the sum of several billion dollars. New Delhi displays interest in the Russian air defence systems, frigates and light helicopters”, *Vedomosti*, Issue No. 4183, 17 October 2016. Translated by Maxim Shepovenko, Deputy Director, Centre for Analysis of Strategies and Technologies, Moscow.

² Ajay Kamalakaran, “A ‘Triumphant’ Indo-Russian summit in Goa”, *Russia and India Report*, 15 October 2016, http://in.rbth.com/economics/cooperation/2016/10/15/a-triumphant-indo-russian-summit-in-go_a639113 accessed on 18 October 2016.

³ Interview with CEO, Rosatom South Asia, “Reactor supply deal for Kudankulam units 5 and 6 to be signed by December: Alexey Pimenov”, *Business Standard*, 21 October 2016. http://www.business-standard.com/article/economy-policy/reactor-supply-deal-for-kudankulam-units-5-and-6-to-be-signed-by-december-alexey-pimenov-11610200800_1.html accessed on 23 October 2016.

⁴ Dipanjan Roy Chaudhary, “India, Russia eye fresh energy deals”, *The Economic Times*, 15 October 2016 <http://economictimes.indiatimes.com/industry/energy/oi>

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deals/articleshow/54859863.cms accessed on 18 October
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⁵ Kamalakaran, N.2

⁶ List of agreements/MOUs exchanged during India-Russia
Annual Summit (October 15, 2016), *Ministry of External
Affairs*, 15 October 2016. [http://mea.gov.in/bilateral-
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