

## THE STRATEGIC PARTNERSHIP BETWEEN INDIA AND RUSSIA: THE NEED FOR CONSOLIDATION AND CONTINUITY

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### ABSTRACT

*Russia and India have had cordial relations for decades, despite their interests sometimes diverging. Russia and India signed a "Declaration of Strategic Partnership" during Vladimir Putin's visit to India in 2000, which provides another proof. All aspects of bilateral cooperation, including politics, security, military, trade and economics, research and technology, and so on, must be included in a strategic partnership. This kind of bilateral strategic collaboration has been critical regarding regional and global concerns. In this paper, the effort has been made to highlight how the bilateral strategic partnership has been preserved and that there is still a need for consolidation and continuity. When dealing with geopolitical challenges, both nations must ensure that the India-Russia strategic partnership persists and becomes stronger in the new global order.*

**Keywords:** *Bilateral cooperation, Partnerships, Strategic collaboration, Summits.*

### Introduction

India and Russia have maintained strong, steady, and friendly ties for decades without any potential conflicts of interest. When Vladimir Putin became Russia's president in 2000, both countries signed a 'Declaration of Strategic Partnership' during his visit to India, which is more evidence. Strategic collaboration at the bilateral level must include all domains, including politics, security, military, commerce and economics, research and technology, and so on. Concerning regional and international challenges, this bilateral strategic cooperation has been crucial. Because of this, an attempt has been made to emphasise how the bilateral strategic relationship has been maintained and that there is still a need for consolidation and continuity.

### Political Partnership

Every year, Indian Prime Minister Narendra Modi and Russian President Vladimir Putin meet for summit discussions in which critical policy decisions are made on various themes that have bolstered their strategic relationship. A total of 20 Annual Summit meetings were conducted, and 14 MOUs were signed during the most recent summit held in Vladivostok on 4th and 5th September 2019. After that, in May 2020, Indian Prime Minister Narendra Modi will meet with Russian President Vladimir Putin in Moscow to commemorate the 75<sup>th</sup> anniversary of the former Soviet Union's Second World War Victory Day. On the

occasion of Mr Narendra Modi's 70<sup>th</sup> birthday on September 18<sup>th</sup>, 2020, Mr Vladimir Putin reaffirmed his commitment to strengthening the strategic alliance between India and Russia [1].

High-level political engagements are bolstered and augmented by ministerial-level discussions when high-level delegations from both governments' foreign affairs, military and commerce ministries participate and conclude several subjects. Indian Foreign Minister S. Jaishankar, Indian Defense Minister Rajnath Singh, and Indian Commerce and Industry Minister Piyush Goyal have visited with their Russian counterparts in the last few years to enhance and improve bilateral relations. On the 3<sup>rd</sup> and 4<sup>th</sup> of September 2020, Mr Rajnath Singh and Mr Jaishankar visited Moscow as part of the SCO summit [2]. They met with Russian colleagues to improve bilateral and regional relations. In the end, Russia has backed India's efforts to find a peaceful resolution to border conflicts and the Maritime Autonomous Zone (MAC) disputed region with China. A climate of trust is crucial to maintaining peace, as Rajnath Singh told the SCO defence ministers when they met in Moscow on September 5, 2020, a position firmly endorsed by Russian President Vladimir Putin. Russia strongly supported India's permanent membership in the UN Security Council.

Two Inter-Governmental Commissions, such as TEC and MTC, are established to implement

Summit resolutions further and develop bilateral Strategic Partnerships in various sectors. There is a need to take practical actions to reinvigorate bilateral economic connections under the ongoing structural changes in both countries, including private sector involvement, collaborative cooperation in Science and Technology and people-to-people interchange. Mr Rajinder Rhanna, India's Deputy National Security Advisor, was in Russia from 17-19 June 2019 for a meeting of high-level officials responsible for security matters, which was followed by the visit to Russia of Mr Pankaj Saran, India's Deputy National Security Advisor, from 30-9 October 2019. There were meetings with Russian Security Council secretary Nikolai Natrushev and Valdai Club president Oleg Khramov, who addressed various security-related bilateral and regional topics<sup>[3]</sup>. As a result of these trips and conversations at the bilateral political level during the past several years, India and Russia have solidified their strategic cooperation.

### **Regional Partnership**

Members of regional organisations such as the Shanghai Cooperation Organization (SCO) and BRICS, which was initially Russia and India (now Brazil and South Africa), are Indian and Russian citizens (RIC). This should be noted When Indian and Russian leaders meet at regional summits; bilateral relations between the two nations are further enhanced. Indeed, economic growth and security concerns have been central to the foundation of BRICS and the SCO<sup>[4]</sup>. There was a recent SCO summit in Bishkek, Kyrgyzstan, in which Indian Prime Minister Narendra Modi met with Russian President Vladimir Putin, and both leaders prompted that multilateral agreements should be encouraged for the benefit of all members of the region and that bilateral agreements should not affect the interests of other SCO members. It is also worth noting that India and Russia have been instrumental in signing the Joint Policy Declaration by the SCO, which calls for more vital collaboration among the member nations and reaffirms their commitment to the region's security. In light of the present conflict between India and China, Russia has backed India's view that peace should be preserved in the area. Vladimir Putin is aware

that certain Central Asian nations oppose China's claim on the Pamir area of Tajikistan. In reality, China's claim to a portion of Russia's far eastern Amur region did not sit well with the Russians.

Also, on November 13, 2019, Indian Prime Minister Narendra Modi met with Russian President Vladimir Putin at the BRICS conference in Brasilia. Modi has applauded Putin for their admirable role in 2020 as the BRICS and SCO Presidency. Russia's support for India's BRICS chairmanship in 2021 is a significant development<sup>[5]</sup>. In addition to counter-terrorism measures, global economic recovery, corporate efforts to boost regional economic links, and so on, both presidents are aware of the challenging duties that BRICS must respond to.

There is also a growing awareness in today's world that the healthcare sector must be prioritised for the benefit of all nations, particularly in Central Asia, where there is a shortage of hospitals and other healthcare facilities. To combat the Covid-19 epidemic, Russia and India have made significant strides in vaccine manufacturing<sup>[6]</sup>. There is a potential for collaborative ventures to develop pharmaceuticals and address the demands of member nations of regions in India and Russia, according to reports in August 2020. India and Russia's strategic cooperation at the regional level would be strengthened as a result. According to the media, they're expected to meet again at a virtual SCO and BRICS summit between November 10 and 17, 2020. On November 30, 2020, New Delhi will play home to a meeting of the Shanghai Cooperation Organization's (SCO) Council of Heads of Government. Russia was the driving force behind the creation of the Eurasian Economic Union, which now includes many former Soviet Union members, including Belarus, Kazakhstan, Kyrgyzstan, and Armenia. A single unified market of more than 200 million people and a GDP of more than \$ 7 trillion is the goal of this plan. Trade-in products and services are encouraged as a result of this policy. Several nations, including China, Turkey, and Iran, have signed free trade agreements with the EEU. With Russia's help, India established an FTA with the EEU. Hence EEU and Russia's strategic alliance offers

enormous potential for Indian trade and economic cooperation<sup>[7]</sup>.

### Defence Partnership

For numerous decades, post-Soviet Russia has played a significant role in supporting and growing India's military industry, which has deepened their strategic cooperation. Putin's Russia has continued the Soviet Union's strategy of assisting and expanding India's military capacity and deepening the bilateral strategic alliance<sup>[8]</sup>. Hence more than half of India's overall military imports come from Russia, which remains a crucial trading partner.

First and foremost, India and Russia's military-technological cooperation has moved from a buyer-seller structure to one that involves collaborative research, development, and manufacture of modern defence technologies and systems. A reference may also be made to the BrahMos Missile System, licensed in India to produce SU-30 aircraft and T-90 tanks. India's proclamation of a policy of self-reliance based on local production is of tremendous strategic importance. The INS Chennai, a stealth destroyer, successfully launched a BrahMos missile on October 18, 2020, according to the Indian Navy. This 290-kilometre-range missile is a cooperative effort between India and Russia<sup>[9]</sup>.

Secondly, it is also worth noting that in the previous several years, India and Russia entered into agreements on S-400 air defence systems, shipbuilding, and founding a joint venture to produce Ka-226T helicopters in India. In late 2021, the first S-400 was delivered. According to a report from the Economic Times in August 2020, the 'Make-in-India' program's manufacturing of AK-203 Series Assault Rifles at Ordinance Factory Korwa achieved significant progress in 2020 as declared by the Indian PM on 3<sup>rd</sup> March 2019 in Amethi, U.P.<sup>[10]</sup>.

The third point is that India-Russia Military Industrial Conferences have been organised periodically in the past several years to exchange knowledge and co-operate in the military industry, apart from commerce and manufacturing of defence equipment.

Fourthly, the fact that India and Russia have engaged in military drills over the last several

years is also significant. 'INDRA2 017', which took place in Vladivostok from October 19<sup>th</sup> to 29<sup>th</sup>, 2017, deserves to be mentioned. Indra Navy-2018, a bilateral naval exercise between Russia and India, was placed in the Bay of Bengal from December 13<sup>th</sup> to 16<sup>th</sup>, 2018. From the 10<sup>th</sup> to the 19<sup>th</sup> of December, India and Russia participated in the Joint Tri-Services Exercise "INDRA 2019" in Babina, Pune, and Goa<sup>[11]</sup>.

Fifthly, in May 2020, India's defence minister, Mr Rajnath Singh, travelled to Moscow for the Victory Day Parade, where he met the Russian Defense Minister, who promised India a supply of emergency munitions, a warning to China not to push its authority in the area. As a result, India and Russia have joined forces to fight China's assertion of power via the Belt-Road Initiative. High-ranking defence officials from both nations attended these military drills, which served as a reminder of the advancements in technology in defence production and capabilities and Russia's support for India's defence security needs<sup>[12]</sup>.

Sixthly, despite some promising advances, Russia's share of India's overall military imports has dropped from more than 80% before the dissolution of the former Soviet Union to about 55%. Russia's economic and political woes over the last two decades may have impacted India's defence-related relations with the Russian government. Observers argue that Russia has been trailing behind the West in the military industry regarding technology, a claim that Russian officials deny. In addition, India has been searching for alternate sources of military imports, including the United States, Western Europe, France, and Israel, all of which are competitive in providing cutting-edge defence equipment.

On the seventh point, Russia has always supported India's participation in the Nuclear Suppliers Group. This support was reaffirmed in the Joint Statement between India and Russia published during Putin's visit to New Delhi in October for the 19<sup>th</sup> annual bilateral summit in 2018<sup>[13]</sup>.

Finally, India accounted for a more significant share of Chinese military purchases than China. However, Russia's military exports to China have eclipsed India's.

### Commerce and Economic Relationships

Even though commerce between India and Russia has become weak, significant developments have occurred in bilateral economic ties between the two countries. While Russia was a key commercial partner for decades and represented around 18-20 per cent of India's overall trade turnover at one point, that figure has dropped substantially to roughly 8 per cent, which is a severe problem for India. Second, although bilateral trade turnover declined from 2013 to 2016, there has been an upward trend since 2017, which is a cause for celebration. On the side of both nations, there is recognition of the need to strengthen economic connections that have lagged. With Russia's strong backing, attempts are being made to expedite talks for a Free Trade Agreement between the Eurasian Economic Union (EEU) and India, which might open up new channels for cooperation with Russia and other members of the EEU<sup>[14]</sup>.

Third, India has a negative trade balance with Russia, despite historically having a positive trade balance with Russia. This is owing to a substantial fall in exports to Russia compared to purchases from Russia. The traditional Indian exports of tea, coffee, spices, and tobacco to Russia were all significant contributors to India's portion of Russia's imports of these commodities. India's traditional exports to Russia have dwindled in recent years due to a drop in popularity among Russian consumers. As a result, India must analyse and enhance its export volume and position concerning conventional goods in bilateral commerce with Russia as soon as possible.

Fourthly, Russia's essential export commodities are minerals, oil, fertiliser and precious metals. Russian imports include pharmaceuticals, organic chemicals, boilers, and other traditional things such as spices, tea, and tobacco.

Fifth, it is admirable and significant that both nations have taken a few considerable measures to boost economic connections. According to the Russian Ministry for Economic Development, the "Single window service" was created in October last year to make investing in Russia as easy as possible for Indian enterprises. These include

hydrocarbons, pharmaceuticals, mining, fertilisers, heavy engineering, gems & jewellery and chemicals and fertilisers for the agricultural and horticulture industries. Defence-related businesses are the focus of Russian investment in India<sup>[15]</sup>.

Sixth, according to a Russian Ministry of Health statement issued in August 2020, Russia has become the first nation to approve the Covid vaccine Sputnik V produced by Gamalaya National Research Institute of Epidemiology and Microbiology (GNRIEM) against the corona virus.

Vaccine development in India has also advanced significantly. As a result, economic and technological cooperation between India and Russia has become more robust due to the outbreak of Covid-19. Mankind Pharma has partnered with the Russian Direct Investment Fund (RDIF) to sell and distribute Sputnik-V in India, as announced on October 17<sup>th</sup>, 2020. Sputnik-V vaccine clinical trials and distribution in India will be conducted by Dr Reddy Laboratories and the RDIF. According to sources, Russia has agreed to provide Dr Reddy Lab with 100 million vaccination doses if India's Drug Control General approves the drug. Both Russia and India are dealing with the Covid-19 epidemic<sup>[16]</sup>.

To put it another way, the two are working together to combat the Covid-19 epidemic. Russia highly praised HCQ and paracetamol in June 2020 since India is a significant supplier of medical goods to Russia. In some way, maybe as a kind of reciprocity, the Indian Prime Minister's Special Fund, dubbed the 'PM Care Fund,' received a \$ 2 million donation from Russia's Rosoboron export military export agency<sup>[17]</sup>.

Seventh, it was revealed that Srei Infrastructure Finance and Russia's Vnesheconom bank signed a memorandum of understanding in 2019 to build a \$200 million IT and Innovation Fund to jointly explore investment possibilities in technology firms in Russia, India and other specified locations. D.B Venkatesh Varma, the Indian Ambassador to Russia, underlined India's openness to working with Russian industries and forming joint ventures to continue decades of bilateral engagement. Cooperation and collaboration between Indian and Russian experts in various fields, including

pharmaceuticals, military, information technology, science and technology, and engineering, must be made a reality. According to reports, researchers at Mumbai's IIT campus, which was built in partnership with the Soviet Union, are working on various projects, including research into this virus. A Working Group has been established between India and Russia to develop and execute collaboration in the sphere of Science and Technology by establishing institutional structures, exchanging scientists, and coordinating academic activities.

Eighth, when it comes to collaboration, Indian firms, including ONGC Videsh Ltd. in the Sakhalin-I Project, Imperial Energy, Commercial Bank of India, and ICICI Bank Eurasia, have recently invested in critical projects in the region, including KGK Group (the US \$ 50 mn) and Advance Pharma (the US \$ 50 mn) (1.5 bn Ru). Due to these developments, the bilateral investment goal of \$30 billion for India and Russia by 2025 was attained by 2019, with India investing around 18 billion dollars, mainly into the hydrocarbon industry of Russia by 2019<sup>[18]</sup>.

Ninth, Rosneft, a Russian oil company, has invested heavily in India's ESSAR Vadinar Refinery, and AFK Sistema, a Russian telecom company, is also a significant investor in India. India-Russia Strategic Economic Dialogue (IRSED) 19th Bilateral Summit in St. Petersburg and following sessions in Moscow, Ahmadabad and New Delhi may be included. India's NITI Aayog Chairman and Russia's Minister of Economic Development highlighted vital cooperation areas due to these bilateral meetings: transportation, small and medium-sized enterprises (SMEs), agro-processing, frontier technologies, and promoting start-up firms. As an Indian official correctly indicated during a joint meeting in Moscow in August 2020<sup>[19]</sup>, India and Russia should investigate the collaborative development of IT goods and Artificial Intelligence Solutions.

Tenth, an Indian delegation led by the country's Commerce Minister, Mr Piyush Goyal, and 140 Indian companies will visit Vladivostok in August 2019 as part of a pledge by Indian Prime Minister Narendra Modi that he would increase trade and investment from

India to the Far East region of Russia. Due to the vast range of industries represented by the attendees, including mining, energy, healthcare, wood, agriculture, food processing, and other areas of national importance (such as infrastructure), this is an essential first step in expanding the B2B format. In this regard, there are hopes that G2G (government to government) meetings would help implement decisions made from time to time.

Eleventh, despite specific successes, Mr Piyush Goyal believes that there is a need to address several barriers to access to inexpensive medications. The long-term viability of the global supply chain is also determined by trust and openness, as the Indian Prime Minister correctly pointed out. Trade norms must be adhered to and shown by all countries. The BRICS nations are among those worst hit by Covid-19. Therefore this problem has a special significance<sup>[20]</sup>.

In recent years, Russia and India have shown a significant interest in expanding bilateral relations in Russia's Far East Region, endowed with enormous natural and mineral resources. To secure oil supplies from Russia's Arctic area to India's eastern regions through the new Eastern Route from Vladivostok port, India is interested in Russia's Far Eastern Region's geopolitical and geo-economic importance. Indian Prime Minister Narendra Modi confirmed and reaffirmed this during the Eastern Economic Forum meeting in 2019, focusing on a bilateral agreement on hydrocarbon cooperation for five years, 2019-2024, for securing Russia's Siberian and Arctic energy through joint activity with Russia's Rosneft, Gazprom, and several other Russian energy companies.

### **Nuclear power**

When the West was unwilling to help, Russia stepped in to provide nuclear energy technology, a boon for India. According to the agreement signed by Russia's Rosatom and India's Nuclear Energy Corporation (NEC), the Kudankulam Nuclear Power Plant in India is a joint showpiece project that has been enlarged by building six units in the previous several years. Putin and Modi signed a "Strategic Vision" in 2014, which outlines their shared vision for the country. Local production of

equipment and components needed for current and future Russian-designed nuclear power plants is of utmost significance to India. Russian officials have agreed to build 12 additional nuclear power reactors in India over the next 20 years with joint equipment production<sup>[21]</sup>.

Russia's long-standing commitment to India's participation in the Nuclear Suppliers Group, underlined in the Joint Statement agreed by India and Russia Putin's visit to New Delhi in October 2018 for the 19th Annual Bilateral Summit, is another crucial benefit India has received from Russia.

### Challenges

However, despite India and Russia's progress in strengthening their connections, there are still obstacles to overcome. First and foremost, despite their warm bilateral relations, India and Russia face problems due to the increasing instability in international relations and the evolving geopolitical environment. While speaking at Observer Research Foundation in Chennai on December 7, 2019, Oleg Avdeev correctly said that today's geopolitical and geostrategic circumstances are forming a new global order based on the current day. India and Russia need to work together to address these concerns since both nations share similar interests and are a beacon of brotherhood and peace.

Second, global issues like climate change and terrorism now touch both nations. In addition to aggravating global problems, Covid-19 has exacerbated those in India and Russia. Third, India and Russia are confronted with issues in their backyards. Regarding Ukraine, Belarus, and Nagorno-Karabakh, Russia has more pressing security concerns than India.

Fourth, even though both heads of state have stated policies aimed at boosting cooperation, India and Russia are experiencing difficulties putting such policies into action because of bureaucratic roadblocks at the lower levels of government.

Fifthly, Covid-19's impact on bilateral commerce has resulted in an economic

downturn for India and Russia. Financial sanctions imposed on Russia since 2014 due to the country's actions over the annexation of Crimea by the United States and other Western European nations must also be overcome by Russia<sup>[22]</sup>.

Sixth, trade between Russia and Central Asia is hampered partly because of the lengthy transit times and expensive costs. As a result, the North-South Economic Corridor between Iran's Bandar Abbas and Afghanistan hasn't become a reality in the previous decade, despite the efforts and policies put in place. To guarantee this idea becomes a reality as soon as possible, India should approach the leaders of Russia and Central Asia on a priority basis and make investments if required.

### Conclusion

Instead of drawing conclusions from the above, it is necessary to clarify that India and Russia have maintained bilateral political connections via Summit meetings and G2G levels.

Regional levels of government have also shown a keen interest in these concerns. Through collaborative partnerships, joint research, joint investment, joint military exercises, and support for the Make in India initiative, Russia has reinforced its strategic alliance with India in the defence industry. Indian-Russian economic links have become a weak link due to a decrease in trade volume, an increasing trade imbalance for India, and a decrease in the significance of traditional commodities in Russia's home market.

Indian interest in the Russian Far East is growing, but pharmaceuticals are now a significant export and investment is a crucial means of fostering collaboration. Policy implementation should be shifted from G2G to B2B, and joint ventures should be encouraged with the involvement of the private sector. Both countries must effectively address the difficulties posed by a shifting geopolitical environment and guarantee that the India-Russia strategic alliance continues and is further solidified in the new global order.

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