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India to Seek Russian Investment on April 29

By Rajeev Sharma

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NEW DELHI — All aspects of bilateral cooperation, including investment in India, will be reviewed at the next meeting of the Indo-Russian Intergovernmental Commission, or IRIGC, in Moscow on April 29, an Indian diplomat familiar with the subject said Wednesday.

The meeting will be co-chaired by Foreign Minister Sergei Lavrov and his Indian counterpart Salman Khurshid and will be attended by senior officials from a large number of ministries and departments from both sides. Khurshid arrives in Moscow on April 28 for a three-day official visit.

Indian Foreign Secretary Ranjan Mathai said last year that the IRIGC was "one of the largest and most elaborate mechanisms we have with any country in the world."

"There is a new verve in Indo-Russian bilateral relations these days, and the prime focus is on trade and investment. Instructions have been issued by the two governments to their

bureaucracies for ensuring greater participation of the private sectors in the two countries to inject a new dynamism in bilateral trade, which is presently a measly $11 billion," said an Indian official who requested anonymity since he was not authorized to speak to the media.

The official said one of the topics on agenda of the IRIGC meeting would be India's Delhi-Mumbai Industrial Corridor, or DMIC project, which is a government-driven project to create a 1,483 kilometer long zone of advanced infrastructure and investment between the political and business capitals of the country.

DMIC foresees 9 industrial zones of up to 250 square kilometers each, covering a total area of 400,000 square kilometers where 178 million people — 17 percent of the country's population — reside in six states.

New Delhi has been pitching the DMIC project to major world powers, including Germany, Russia and the UK, exhorting them to participate in this $90 billion project, which will include a high-speed freight line, three ports, six airports, a six-lane intersection-free expressway connecting Delhi and Mumbai and a 4000 megawatt power plant.

India has been trying to sell the DMIC project to Moscow for over six months. The then Indian External Affairs Minister SM Krishna first broached the subject during the visit to New Delhi of Russian Deputy Prime Minister Dmitry Rogozin in October.

"Our growing economy and major initiatives in terms of the national manufacturing policy and infrastructure development projects such as the Delhi-Mumbai Industrial Corridor, offer good prospects for Russian investors and businesses," Krishna told Rogozin at the time.

India's Commerce and Industry Minister Anand Sharma made another pitch to the Russians for their investment in the DMIC project during his official visit to Moscow last week and invited Russian companies to take part in setting up "at least one" world-class industrial enclave at the DMIC.

Russia has so far not responded to the Indian pitch, but New Delhi is hoping for a specific reaction during the April 29 IRIGC meeting.

April marks the start of a season of intense Indo-Russian engagement, which is slated to gain momentum in the coming weeks and months. Indian Prime Minister Manmohan Singh will visit Russia twice this year: first in September for the G20 summit in St. Petersburg and then towards the end of the year for the 14th Indo-Russian annual summit.

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