

Russia calls for rupee-rouble trade; prepares economic strategy for India

Keen on investment protection, taxation pact with New Delhi

OUR BUREAU

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Russia has called for introduction of rupee-rouble trade to boost bilateral trade with India, and has said it is working on a strategy to increase economic cooperation with India.

"Our country is looking at an investment protection and avoidance of double taxation agreement with India....We are also looking at trade in national currencies and a strategy for economic cooperation," Russian Economic Development Minister, Maxim Oreshkin, said addressing a joint business council organised by CII on Thursday.

The Russian Trade Minister is part of a high-level delegation accompanying Russian President Vladimir Putin to India.

A rupee-rouble mechan-



Suresh Prabhu, Commerce and Industry Minister

ism will help the two economies hedge against foreign currency risks and by-pass banking sanctions from the US against trade with Russia.

Commerce & Industry Minister Suresh Prabhu, who also addressed the gathering, proposed an agreement with Russia for diamond imports in a manner that does not adversely impact balance of payment of India. He said India is the hub for cutting and polishing of diamonds and Russia has huge diamond reserves.

The Minister also announced the setting up of a fast-track, single-window mechanism for Russian companies, which would be chaired by the Secretary, Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry.

"The two countries could promote cooperation in areas such as Digital India and pharmaceuticals, among others," said Sergei Cheremin, Moscow Government Minister, Chairman of the Board of the Business Council for Cooperation with India.

Bilateral trade soars

India-Russia bilateral trade jumped 42 per cent in 2017-18 to touch \$10.68 billion, compared to \$7.48 billion in 2016-17. India's exports, however, were valued at just over \$2 billion, while Russia exported goods worth \$8.5 billion.

Two-way investments have already crossed \$30 billion and a fresh target of \$50 billion for 2025 could be set.