

India sends the cream of its industry to "INNOPROM-2016"

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On July 10 International Industrial Trade Fair INNOPROM-2016 opens in Yekaterinburg, where India will act as an official partner.

A large-scale exposition of this country, which will cover an area of about 4 sq. meters, is designed to fully demonstrate its engineering capacity, as well as its latest achievements of engineering thought.

"We want to show the Russians that India is changing and that today it is a modern industrial economy. We want to show how Russia and India can work together in the modern world in the field of technology and industry - said the Ambassador of India to the Russian Federation Pankaj Saran. - Today the level of our economic relations is below the existing potential. And, of course, we expect successful meetings between businessmen and that these negotiations will have concrete results".

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India will showcase a whole range of its high-tech products produced by Indian companies, said Bhaskar Sarkar, executive director of the Association of Indian Engineering Export Promotion Council (EEPC) in his interview to "RG";

EEPC brings together exporters of industrial products and coordinates Indian participation in INNOPROM.

The dominating idea of India as the homeland of elephants and yoga should become a thing of the past, he says. India today is strong with its innovations in engineering and talented people, and may soon become a leading driver of economic growth in the world.

Indeed, in the first quarter of this year, India broke a world leader in terms of growth of GDP. The growth of the Indian economy amounted to 7.9%, which is higher than that of China. According to the World Bank, the measures implemented by the Government of India, will be able to maintain India's GDP growth rate in the current year at the level of not less than 7.5% with an increase to 7.7%.

But these optimistic figures are unlikely to conceal the problems faced by India. This country is on the third place in the world in terms of purchasing power parity GDP after China and the United States, but in terms of GDP per capita it belongs to the "third world", faring much worse than Russia and China. The backward infrastructure, energy deficit (almost 20% of India's population still have no access to electricity supply), bureaucratic barriers, and acute social problems - all this hinders development of the country.

The key factor for India's growth is its domestic consumption and the service sector, whose share in GDP is almost 60%. India, with its nearly 1.3 billion people is a huge and growing consumer market, which makes it extremely attractive for investments. Young people make up the overwhelming share of the population and they are constantly replenish the ranks of the middle class.

At the same time, despite the presence of modern industrial sector, the growth of industry in India lags behind its economic growth, providing only 26% of GDP (China - 46%, Russia - 40%). For a number of years, India's industrial exports have been declining.

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Indian authorities are well aware that modernization breakthrough is impossible without building a powerful and modern industrial sector, as well as a modern infrastructure. In these circumstances the government of Narendra Modi aims primarily at increasing the rate of growth of the industry and upgrading the industry and export potential. It also aims to create new growth points in the economy and employment, attract foreign investments, and expand production for export of goods and services.

In this regard, great attention is given to international relations and search for foreign partners for Indian industrial businesses and the establishment of direct contacts between businessmen.

That is why, in terms of Russian-Indian economic relations (which have not been developing very much apart from military technical and energy industrial cooperation) the trade fair INNOPROM should play an important role in finding new ways and methods of trade interaction.

The emphasis on small and middle size businesses

The seriousness of India's intentions to showcase all its best engineering products and to find reliable partners is emphasized by simple facts. INNOPROM will feature more than 100 Indian companies from all sectors of the industry, and more than 70% of them are small and medium. In terms of representation of different regions, participants will present almost the entire India: more than 20 cities, not including major metropolitan areas such as New Delhi, Mumbai, Chennai, Bangalore.

Indian delegation will be headed by Minister of Commerce and Industry of India Nirmala Sitharaman, and will consist of delegations from several states, including the heads of three major regions of the country Maharashtra, Andhra Pradesh and Rajasthan.

The Government of India has created the most favorable conditions for the participation of a large number of representatives of Indian medium and small business and actually sponsored their trip to INNOPROM.

The trade fair will be attended not only by companies that are already known on the Russian market such as Bharat Heavy Electricals Ltd., Heavy Engineering Corporation Ltd., Power Grid Corporation of India, National Hydro Power Corpn (NHPC), SUN Group, Magnatech, Bharat Forge Limited, but also those that are only planning to establish active cooperation with Russia.

The stands feature the best Indian export goods and technology: Mechanical engineering products and components, equipment for the petrochemical industry and pharmaceuticals, power supply equipment, agricultural machinery, information technology, automotive components, technologies and equipment for industrial processing etc.

The day before the opening of the exhibition Sverdlovsk Region Governor Yevgeny Kuyvashev said that about 30 agreements and memorandums are going to be signed by participants including large holdings and industrial giants. In addition, at least five documents will be signed on behalf of the Government of Sverdlovsk region.

According to EEPC India, several Russian-Indian agreements will be signed at INNOPROM. In particular, between the Indian state corporation Heavy Engineering Corporation Limited (HEC Limited) and JSC Rusatom Overseas. HEC Limited will also sign an agreement with JSC "NPO TSNIITMASH" (which is part of Atomenergomash, the machine-building division of Rusatom) about the establishment of training centers in India, as well as joint development and technological support of using straight-through product manufacturing technologies for heavy

and power engineering. Arrangements have been made about this during the visit of Indian Prime Minister Narendra Modi in Moscow at the end of December 2015.

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"RG" sources did not rule out that the HEC Limited, which is in talks with a number of other Russian companies, will also sign a document on cooperation with the Corporate group "Tractor Plants".

Many Indian companies are going to INNOPROM with a desire to find a partner or to continue negotiations. For example, Walchandnagar Industries, one of the largest industrial holding companies in India, which produces, in particular, equipment for the defense sector and the energy sector, plans to renew contacts with "Atomenergomash" regarding building a joint venture to localize

the production of equipment for nuclear power plants in India in the city of Dahej. "The idea of building a joint venture with "Atomenergomash" is topical, but it is still frozen. However, I think there are prospects to defrost it," the company's managing director Kumar Pillai told reporters.

Another Indian participant of INNOPROM, machine-tool company "Ace Designers Ltd" (which is a member of corporation ACE Micromatic Group) will showcase its latest models of CNC machine tools. Managing Director Shrinivas Shirgurkar told reporters that the company plans to increase exports of its CNC machine tools to Russian consumers. The company currently supplies components to the Perm company "Ural-Instrument-Pumori", which assembles and sends machines to consumers.

Regional component of the visit of the Indian delegation is going to be strong, too. On July 12th INNOPROM will host a special session with the representatives of the largest states in India to discuss interregional cooperation. The list of the participants of the event there will include chief ministers of Maharashtra - Devendra Fadnavis, Andhra Pradesh - N. Chandrababu Naidu, and Rajasthan - Vasundhara Raje Scindia, as well as representatives of other Indian states.

It is also planned to conclude a cooperation agreement between the Sverdlovsk Region and the State of Maharashtra. The Maharashtra delegation headed by Chief Minister Fadnavis later will visit St. Petersburg, which is a sister city of Mumbai. It is expected that the heads of the Russian and Indian regions will sign an agreement on the event program of the 50th anniversary of the establishment of sister city relations between Mumbai and St. Petersburg which will be celebrated next year.

According to EPEC India, the Indian delegation will also visit Volgogradsk "Atomash".

Last year, the country partner of the exhibition was the People's Republic of China (PRC).

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