

Territorial NEWSLETTER CIS Countries

EPCINDIA
ENGINEERING THE FUTURE

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Chairman's Pen



Another financial year has gone off. The acceleration of Indian economy has been somewhat arrested as recent estimates of real GDP growth has come up with slightly slower growth. However, foreign trade showed the opposite trend with increase in India's merchandise exports over the previous fiscal. Engineering exports, after facing an year-on-year decline in the last fiscal, achieved 11.3% growth in the last completed fiscal, i.e., 2016-17. Engineering exports to CIS followed the broader trend and grew by 33.6% during the said fiscal, driven by 37.2% growth in overseas shipments to Russia, the largest member of CIS. This increase coincided with a sharp drop in engineering imports from CIS region during 2016-17, as reflected by the data

for April-February for the said fiscal. In the present issue of the Newsletter, an analysis on Indian engineering imports from the CIS region has been analyzed in detail with some interesting findings for our members.

I believe this newsletter will help our member exporters to take informed decision explore businesses opportunities in the CIS region.

Tarvinder Singh Bhasin

Committee on Trade with CIS Countries - Chairman's Note



The fiscal 2016-17 turned out as a year of recovery for India's engineering exports that recorded 11.3% growth in 2016-17. Engineering exports to CIS jumped by 33.6% following the economic recovery in Russia and Ukraine. Another good news is drop in engineering exports to CIS as per the data. This 20th issue of our Newsletter on CIS has analyzed the engineering import situation with CIS region. Analysis of India's engineering exports to CIS for fiscal 2016-17 has also been included in this issue focusing on major export destinations and major engineering panels. Other regular sections like news, information on exhibitions and tenders are basically informative in nature.

I believe this newsletter will be beneficial for our member exporters to and help them in understanding the emerging opportunities in the CIS region.

Aman Chadha

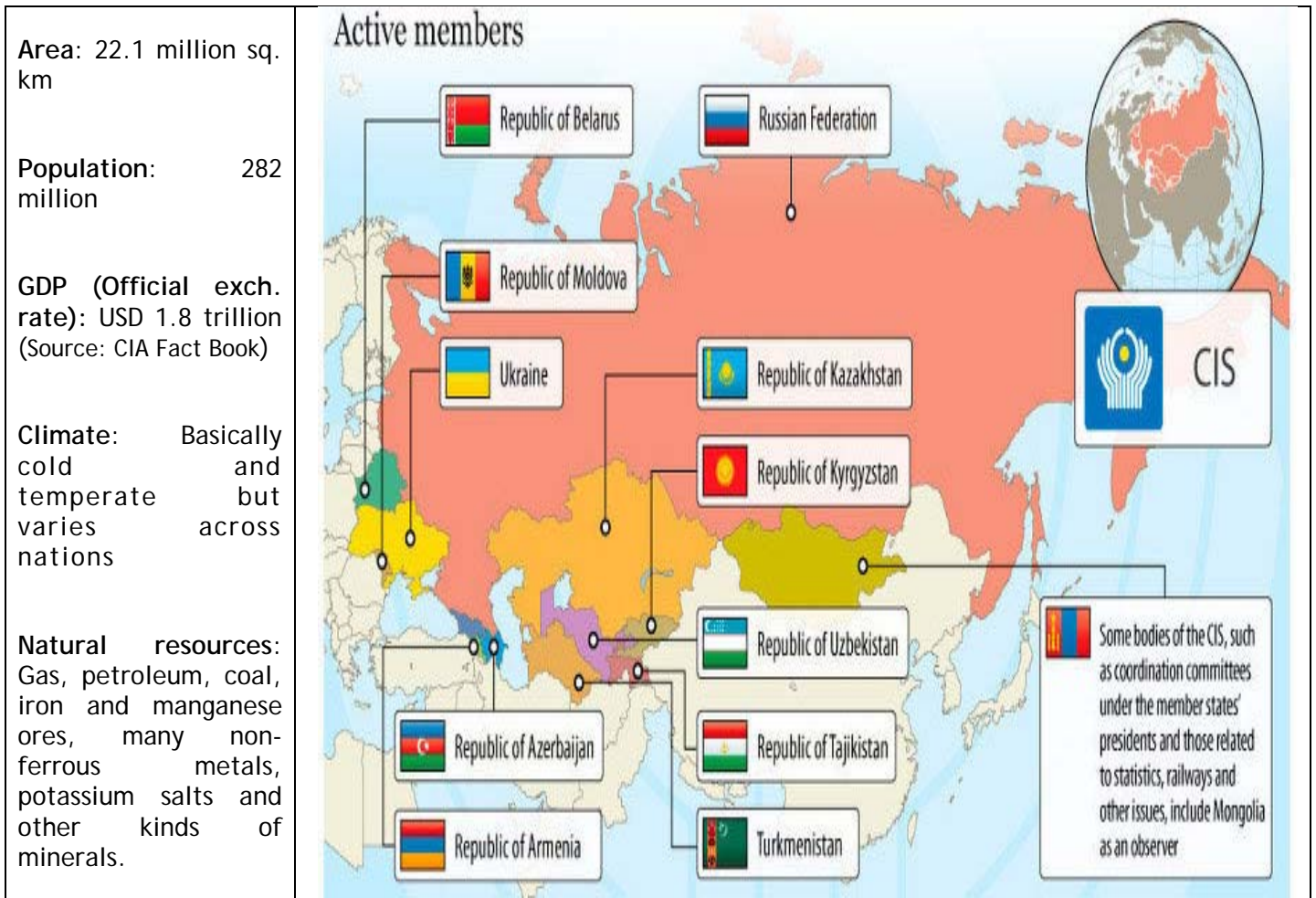
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Basic Facts: CIS



Indian Engineering Imports to CIS during Fiscal 2016-17

India has been conceding a deficit in engineering trade with the CIS region mainly due to high imports from Russia. However, fiscal 2016-17 witnessed a different scenario where trade deficit is likely to be marginal as per the data. As we provide India's engineering export data for the CIS region in every issue of this newsletter, an analysis of Indian engineering exports to CIS has been carried out to see the overall scenario of India's engineering trade with the CIS region, both panel-wise and product-wise.

It is needless to say that lion's share of Indian engineering imports from CIS is supplied by Russia that accounts to 86% in 2015-16 and 81% during April - February 2016-17. As Russia and Ukraine, the two major nations of the CIS region bounced back from recession, India's exports to the CIS region grew impressively but imports dropped in 2016-17. During the first eleven months of fiscal 2016-17, India's engineering exports to CIS region rose by 31% while imports tumbled by around 40% due to lower imports from Russia. The analysis below may provide a detail idea of the same.

Our Panel-wise analysis showed that 'Iron and Steel' is the highest imported engineering product group from CIS region followed by non-ferrous metal and metal products like Nickel and Copper. Industrial machinery comes next. Among the top ten imported product groups, only two recorded growth in exports to India from

CIS during 2016-17 (first 11 months). These include Zinc and Zinc products. The table below showed top 10 product groups (panel) India imported from CIS during 2016-17.

Indian Engineering Imports from CIS (in USD Million) - Top 10 Panels	
Panel (or Product Group)	2016-17(Apr-Feb)
Iron and Steel	297.45
Nickel and products made of Nickel	68.18
Copper and products made of copper	65.14
Industrial Machinery for dairy, agriculture, food processing, textiles, paper, chemicals, etc	63.91
Aircrafts, Spacecrafts and Parts	36
Aluminum and products made of Aluminium	24.47
Zinc and products made of zinc	19.12
Products of Iron and Steel	18.28
Other Non Ferrous Metals and their products	10.56
Ships, Boats and Floating Structures	8.57

The following table showed top 50 engineering products imported from CIS in the last fiscal (as per the latest figure obtained from the Ministry of Commerce, Government of India at 6-digit HS Code:

HS Code	Product Description
722511	Flat rolled product of Silicon-electrical Steel
750210	NICKEL, NOT ALLOYED
740811	CU WLD WIRE WTH MAX CRS-SEC DIAMTR>6MM
720890	OTHR FLAT ROLLED PRODUCTS, N.E.S.
848790	OTHR MCANRY PARTS OF HEADING 8485
880330	OTHR PRTS OF AEROPLANES/HELICOPTERS
721420	SPRING STEEL QUALITY
720990	OTHER FLAT ROLLED PRODUCTS N.E.S.
720241	FERRO-CHROMIUM CARBON CONTNG>4% BY WT
847989	SOAP-MANUFACTURING MACHINERY
720249	OTHER FERRO-CHROMIUM
720221	FERRO-SILICON CONTNG>55% OF SILICON
848340	GEARS & GEARNG, EXCL TOOTHD WHEELS, TRNSMSN ELMNTS PRSNTD SEPRTLY; BALL SCRWS; GEAR BOXS & SPEED CHNGRS, INCL TORQUE CNVRTRS
720839	PLATES OF FLAT-ROLD PRDCTS IN COILS OF A THCKNS< 3 MM HOT-RLD, EXCL. PICKL
760110	ALUMINIUM INGOTS-NOT ALLOYED
730419	IRON PIPES FOR OIL/GAS PIPELINES
740710	ELECTROLYTIC COPPER RODS OR BLACK COPPER RODS (INCLUDING COILS), WROUGHT
790111	ZINC, NOT ALLOYD, CONTNG BY WT >= 99.99% ZINC
790112	ZINC, NOT ALLOYED, CONTNG BY WT < 99.99% ZINC
720229	OTHER FERRO-SILICON
842952	MCHNRY WTH A 360 DGR. RVLVNG SUPR-STRCTR
845530	ROLLS FOR ROLLING MILLS

841989	PRESSURE VESSELS REACTORS,COLUMNS/TOWERS OR CHEMICAL STORAGE TANKS
860719	AXLES,WHEELS ETC.FR RLWAY WAGONS & CARRGS
721012	OTS/MR TYPE
811221	CHROMIUM UNWROUGHT; POWDERS
890800	VSSLS & OTHR FLOATNG STRCTRS FR BREAKNG UP
720421	EMPTY OR DISCHARGED CARTIDGES OF STAIN LESS STEEL OF ALL BORES & SIZES
845430	DIE-CASTING MACHINES
720827	PLATES OF FLAT-ROLD PRDCTS IN COILS OF A THCKNS< 3MM HOT-ROLD,PICKLD
760200	ALUMINIUM SCRAP COVERD BY ISRI CODE , TABLET TABLOID, TABOO, TAIN/TABOR,TAKE, TALAP, TALCRED, TALDACK, TALDON, TALDORK,
903180	OTHR MSRNG&CHCKNG INSTRMNTS,APPLNCS&MCHNS
810890	TITANIUM WROUGHT
760429	OTHER WIRE RODS
890190	OTHR VSSLS FOR TRNSPRT OF GOODS & OTHR VSSLS FOR TRNSPRT OF PERSONS & GOODS
720836	PLATES OF FLAT-ROLD PRDCTS IN COILS OF A THCKNS< 10MM HOT-ROLD,EXCL. PICKLD
720838	PLATES OF FLAT-ROLD PRDCTS IN COILS OF A THCKNS>=3 BUT< 4.75MM HOT-RLD,EXCL.PICKL
720449	OTHER WASTE AND SCRAP
780110	REFINED LEAD
720852	PLATES OF FLAT-ROLD PRDCTS,NT IN COILS OF THCKNS>=4.75MM BUT <=10MM NOT FURTHR WRKD THN HOT ROLD PICKLED
731029	TIN PLATE CONTAINERS
740400	EMPTY OR DISCHARGED CARTRIDGES OF ALL BORES AND SIZES OF COPPER
848390	PARTS OF THE ITEMS OF HDG 8483
780199	PIG LEAD
730490	OTHR SEAMLESS TUBES/PIPES & HOLOW PORFILES
760120	ALUMINIUM INGOTS -ALLOYED
853690	OTHER APPRATUS OF HEADING 8536 SPEED INCL REVRNSNG STRTRTS AT <=60 VOLTS
840690	PARTS OF TURBINES
730449	OTHR TUBE,PIPE & HOLO PROFILE OF CIRCULR CROSS-SECTION OF OTHER STAINLESS STEEL
720150	CAST IRON

Trend Analysis of India's Engineering Export to CIS

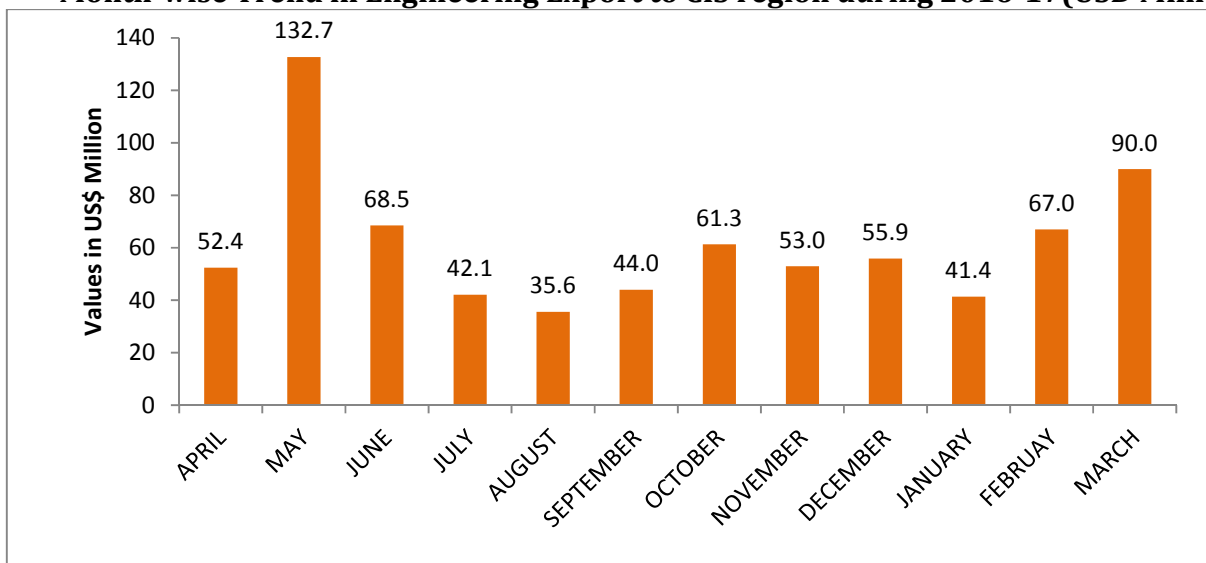
The top 5 CIS nations which had the highest demand for Indian engineering products during April-March 2016-17 are as follows (Value of Exports measured in USD Million):

Country	Export in Mar 2016	Export in Mar 2017	Growth (%)	Exports in Apr-Mar 2015-16	Exports in Apr-Mar 2016-17	Growth (%)
RUSSIA	45.41	60.35	32.91	397.28	545.08	37.21
UKRAINE	2.93	5.22	78.06	45.58	62.01	36.04
UZBEKISTAN	1.97	20.01	915.60	25.60	45.22	76.61
GEORGIA	3.46	1.01	-70.81	31.81	30.78	-3.23
AZERBAIJAN	0.16	1.43	809.48	8.63	19.96	131.27

Indian engineering exports to CIS continued to see impressive growth for the second straight month in March 2017 at 52.14% as against 68% in February 2017. Other than the largest engineering importer in CIS region, Russia, the growth in March 2017 was led by 915.0% growth in imports by Uzbekistan, though at a lower base. Second largest importer Ukraine also recorded 78% growth in imports of Indian engineering products over the same month last year. Among the top five CIS importers of Indian engineering products, Georgia is the only nation to witness decline in year-on-year import for the second month in a row.

A cumulative analysis of Indian engineering exports for fiscal 2016-17 showed a noticeable year-on-year growth at 33.6% led by 37.2% increase in exports to Russia. Azerbaijan recorded the highest 131.27% year-on-year growth in imports among all CIS nation but six nations conceded decline in engineering imports from India during fiscal 2016-17.

Month-wise Trend in Engineering Export to CIS region during 2016-17(USD Million)



Panel-wise trend in engineering exports to CIS during Apr - March 2016-17

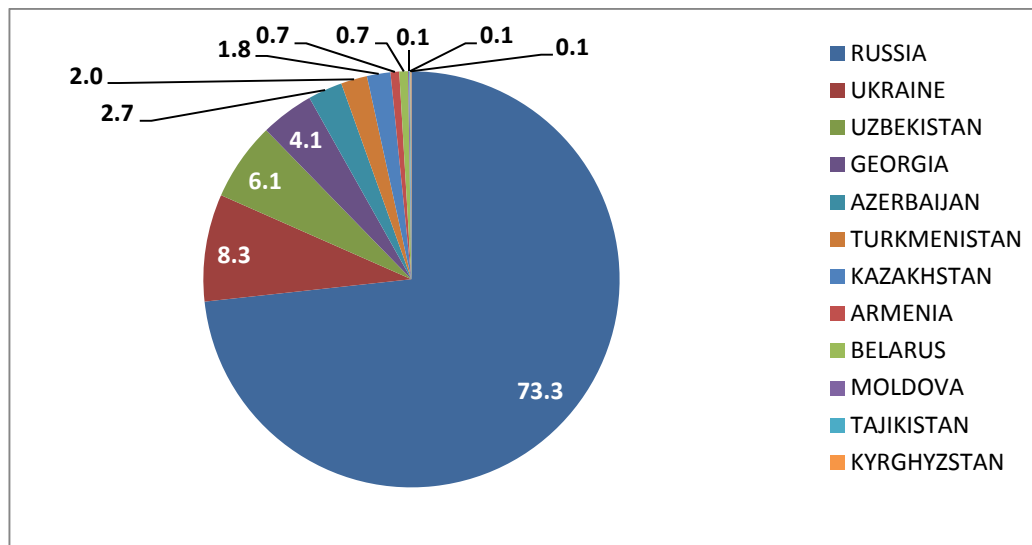
Top 10 panels exported to CIS during April - March 2016-17 are listed below (Value of Exports measured in USD Million).

Name of the Panel	Export in Mar 2016	Export in Mar 2017	Growth (%)	Exports in Apr-Mar 2015-16	Exports in Apr-Mar 2016-17	Growth (%)
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IC Engines and Parts	0.74	1.03	38.71	22.91	128.69	461.68
Aircrafts Spacecrafts and Parts	17.91	10.02	-44.07	113.49	110.73	-2.43
Auto Components/Parts	5.44	6.89	26.61	55.63	74.97	34.77
Industrial Machinery	4.40	25.27	473.84	65.98	72.22	9.46
Iron and Steel	6.16	11.66	89.42	61.04	71.98	17.92
Products of Iron and Steel	3.77	3.33	-11.81	38.12	42.86	12.44
Other Construction Machinery	2.00	7.60	279.39	12.21	34.18	179.79
Electric Machinery and Equipments	1.91	2.48	29.79	30.34	33.13	9.20
Machinery for ATMs	1.55	3.74	140.47	15.74	30.76	95.46
Medical and Scientific Instruments	5.34	2.00	-62.60	22.99	25.28	9.96

Panel-wise analysis showed 'IC Engines and Parts' continued to remain the highest exported product group to CIS region for the entire fiscal 2016-17 with a sizeable growth of 461.7% but exports in March 2017 was quite low. The product group 'Aircrafts and Spacecrafts' was the second highest on a cumulative basis but conceded decline in exports to CIS on both monthly as well as cumulative basis. 'Auto Components/Parts' and industrial machinery were the immediate followers with 34.8% and 9.5% growth respectively during fiscal 2016-17. Industrial machinery recorded a robust growth in March 2017 also. Out of the top ten panels, only 'Aircrafts and Spacecrafts' witnessed drop in exports to CIS on a cumulative basis over the same period last year while out of the 33 panels 10 conceded decline in cumulative exports.

India's engineering Exports to CIS: Country-wise Share (%) during April - March 2016-17



Major Importers of Indian Engineering Products in the CIS Region during Apr - Mar 2016-17

Russia:

Russia is the largest importer of Indian engineering products in the CIS region sharing 73.3% of India's engineering exports to CIS during 2016-17

Top exported product: IC engines & parts, Aircrafts & spacecrafts, Iron & Steel, Auto components and parts, Industrial machinery.

Ukraine:

Ukraine is the immediate follower of Russia but with a much lower share at 8.3% during the same time period.

Top exported products: Iron & Steel and products made of Iron and Steel, IC engines & parts, Auto components and parts etc.

Anti-dumping measures

At present, there is no anti-dumping case being investigated by India against Russia, Ukraine or Georgia.

CIS-India – Information Guide

Among the CIS nations, India has a strong economic relation with Russia and these two nations are now considering an FTA.

The INDIA-CIS Chamber of Commerce and Industry, established in 1986 with the objective of promoting, developing and extending commerce, trade and industry between India and CIS countries, serves as an important platform for information in CIS countries. This Chamber provides a dynamic institutional link for the promotion of Commercial, Economic & Cultural relations between India and CIS countries.

The activities of the chamber include

- Arranging buyers / sellers meeting,
- Conducting Conferences, Seminars, Trade Missions, in-bound Delegations, workshops,
- Organizing and participating in trade fair and exhibition
- Solving complicated export problems by setting expert committee
- Searching New Market, New Horizon for manufacturers and exporters
- Visa assistance

The website address of the chamber is given below:

<http://www.indiacis.in/index.html>

Upcoming exhibitions in CIS Countries

Events	Date	Venue	Link
GEOTECH 2017	27-Jun-2017 to 30-Jun-2017	Crocus-Expo IEC Krasnogorsk 65-66 km Moscow Ring Road, Russia	http://www.eventseye.com/fairs/f-geotech-6446-1.html
BUDPRAGRES 2017	5-Sep-2017 to 8-Sep-2017	Minsk-Arena - Football Manege Sport Complex, pr-t Pobediteley 111 Minsk, Belarus	http://www.eventseye.com/fairs/f-budpragres-339-1.html
MIMS - MOSCOW INTERNATIONAL MOTOR SHOW 2017	21-Aug-2017 to 24-Aug-2017	Expocentr' Krasnaya Presnya Fairgrounds 14, Krasnopresnenskaya naberezhnaya Moscow 123100, Russia	http://www.eventseye.com/fairs/f-mims-moscow-international-motor-show-207-1.html

Industrial Armenia EXPO - 2017	8 -Sep -2017 to 10 - Sep - 2017	"LOGOS" Expo-Center, Yerevan, Armenia.	http://www.exponet.ru/exhibitions/by-id/industrialer/industrialer2017/index.en.html
Metaltech Central Asia - 2017	20 - Sep - 2017 to 22 - Sep - 2017	Almaty, Kazakhstan	http://www.exponet.ru/exhibitions/by-id/metaltechal/metaltechal2017/index.en.html

News in Focus

India and Russia ink key pact for 2 nuclear power units in Kudankulum

India and Russia signed a general framework agreement and credit protocol for constructing units 5 and 6 of the Kudankulam Nuclear Power Plant at St Petersburg on 1st June 2017.

Link: <http://economictimes.indiatimes.com/news/politics-and-nation/india-and-russia-ink-key-pact-for-2-nuclear-power-units-in-kudankulum/articleshow/58949127.cms>

Armenian exports surge by 16.1 percent in January- April, 2017

Armenia's exports in the first four months of 2017 surged by 16.1% when compared to the same period in 2016 to \$608.3 million, while imports rose by 14.6% to \$1.080.6 billion, according to the latest numbers, released by the National Statistical Service (NSS).

Link: http://arka.am/en/news/economy/armenian_exports_surge_by_16_1_percent_in_january_april_2017/

Event supports e-commerce business-to-business cooperation in BRICS

The United Nations Industrial Development Organization (UNIDO) and its partners today held a BRICS business-to-business (B2B) workshop to foster the development of e-commerce in Brazil, the Russian Federation, India, China and South Africa (BRICS).

Link: <http://cis.einnews.com/article/382719343/6lPbzSWTZE1waixA?lcf=n6akwSxISFexT6QvoahKuw%3D%3D&pg=2>

India to initiate free trade talks with Georgia

India and Georgia decided to initiate talks on a free-trade agreement (FTA). Commerce and industry minister Nirmala Sitharaman signed a joint statement to start a feasibility study on a potential FTA. Upon the completion of a joint feasibility study, the two nations may proceed to negotiate on the FTA.

Link: <http://cis.einnews.com/article/375548776/EgbvVmA97aka3wmM?lcf=n6akwSxISFexT6QvoahKuw%3D%3D&pg=8>

Tender Information in CIS

Prior information Notices

Location	Title	Deadline
Russian Federation	Acceptance Diagnostics, Provision Of Services For Engineering Inspection Services For Technical Examination	23-Jun-2017

Location	Title	Deadline
Belarus	Purchase Of Design Work On The Project "overhaul And Modernization Of Multi-purpose Building Fronts On The Avenue Independence, 115a In Minsk"	19-Jun-2017
Russian Federation	Construction Supervision In The Performance Of Works On Repair Of Engineering Structures	21-Jun-2017
Georgia	Procurement Of Engineering Services.	23-Jun-2017
Russian Federation	Major Repairs Of Infrastructure Llc "buguruslanneft"	16-Jun-2017

For more contract notices, Please register with Tenderinfo and follow the link: <http://www.tendersinfo.com> and search for CIS.

EEPC India CIS Territorial Newsletter

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