

RUSSIA DIGEST

AUGUST, 2022



TO BE CIRCULATED WITH THE ECONOMIC TIMES
(SELECT RUN) MUMBAI, DELHI
ADVERTORIAL

COLOURS OF CAMARADERIE

75 YEARS OF
RUSSIA-INDIA
STRATEGIC
PARTNERSHIP



Azadi Ka Amrit Mahotsav



India's Largest Multinational Flexible Packaging & Solution Company Redefining Packaging Experience for Russia



 Bld.1, Pos. 4, Industrialnaya str., Smatovo vil, Stupino, Moscow Region, 142821, Russia.



UFlex set its foot into Russia in 2020 by establishing Flex Films RUS LLC



Plant spread across 10 hectares in the special economic zone "Stupino Quadrat"







Houses BOPET polymeric film line with production capacity of 30,000 TPA



Has created direct and indirect employment opportunities for locals

Flex Films Offers Various Grade of:

BOPET Films | BOPP Films | CPP Films | Alox Coated Films | High Barrier Metalized Films | Asclepius™ PCR Films | Speciality Films

Visit Us : www.uflexltd.com | **Mail Us :** enquiry@uflexltd.com | **Stay Connected :**     [@uflexltd](https://www.instagram.com/uflexltd)



'A PARTNERSHIP BASED ON MUTUAL TRUST AND CONTINUED GROWTH'

PACKAGING ROSE TO BE THE SUNSHINE INDUSTRY IN THE MOST DIFFICULT OF TIMES DURING COVID OUTBREAK. TODAY, IT SUPPORTS THE WAY TO A NEW WORLD WHICH WILL PROVE HELPFUL FOR BOTH, THE RUSSIAN AND THE INDIAN ECONOMIES

■ Junaid Khan, Business Head, Flex Films RUS LLC

Russia has been a longstanding and time-tested partner for India. Relations between both countries are rooted in history, culture, mutual trust and mutually beneficial cooperation. The democratic nations have been sharing a 'special and privileged strategic partnership' that supports each other's growth and economic progress.

REINFORCING STRATEGIC BALANCE

The Soviet Union was India's largest trading partner until 1991. Apart from rejuvenating old ties of friendship, the visit in 2021 of the Honourable President of the Russian Federation, Vladimir Vladimirovich Putin, to India was a clear signal of the commitment to reinforce strategic balance as an enduring factor in ties between both superpowers, despite shifting priorities.

Both countries have several similarities too in their global approach. Russia and India, that were front-runners in the fight against Covid-19, defied many challenges to develop vaccines that would not only save its people but the entire world.

TRADE AND ECONOMIC TIES

Reinforcing trade and economic collaboration between both superpowers is a key factor for the growth of both the countries. Resumption of positive trajectory of Indo-Russia trade witnessed bilateral trade over 2021 amounting to US\$ 13.6 billion. In a bid to further improve the trade ties, the targets have been revised for bilateral investment to reach US \$ 50 billion and trade to US \$ 30 billion by 2025.

There are many sectors that contribute to boosting trade relations between both the countries. Defence ties have been a consistent feature of Indo-Russian ties and

almost 60 per cent of India's military hardware is of Russian origin.

STRESS ON BILATERAL TIES

While cooperation in the defence, energy and space sectors are expected to boost, bilateral ties have to be enhanced in tourism, finance and insurance, telecommunications and information technology, and transport and construction to sustain ties in the long run.

The implementation of the International North-South Transport Corridor (INSTC) project will prove to be beneficial for both economies. Of all, one industry that has been supporting this path to build a new world is packaging, an industry that rose to be the sunshine industry in the most difficult times of COVID outbreak.

PACKAGING: A DEVELOPING INDUSTRY

Russia, the largest country in the world, ranks as the 8th largest market of packaged food products worldwide, worth almost 29 million tons of trade volume. Despite the drop in buying power since the financial crisis of the Russian economy in 2014-15, demand for FMCG products has steadily risen. Compared to other markets across the world, the Russian flexible packaging market is relatively unsaturated and is developing at a more intense rate.

The packaging industry in Russia is expected to grow to 150.8 billion units by 2025, at a CAGR of 1.4 per cent. This growth is expected to be led by flexible packaging – largely used in food industry – for its light weight and extension of shelf-life properties.

A key determinant for this growth is the

increasingly fast lifestyles of consumers, influencing the demand for small, on-the-go FMCG products. The packaging industry in Russia is also driven by the consumer demand for attractive-looking packaging.

EASE OF BUSINESS

Interacting with the Russian government and the business community regularly, it is encouraging to witness their seriousness in making it conducive for businesses to operate smoothly. When our parent company UFlex was executing its plan to commission a packaging film plant in Russia, it was overwhelming to realise the support the Russian administration extended to the company to have the plant ready for commissioning within assured timelines, despite all odds faced then due to the pandemic.

NEW OPPORTUNITIES

The recent withdrawal of western companies from the Russian market opens up many new opportunities for India Inc. and the latter has been on a deal-signing spree with Russia. India has also seen a dramatic rise in spending on Russian energy. Russia is accepting payments in local currency, to help keep trade flows to the countries strong this year. From January to June 2022, Indo-Russian bilateral trade touched US\$ 11.1 billion, clearly indicating the upward movement. If we continue to maintain these volumes, I am certain that together we can create more value and achieve robust numbers.

– Flex Films RUS LLC located in Stupino, is a packaging film subsidiary of UFlex, India's largest MNC in flexible packaging materials and solutions.