

## **5.2 Details**

### **(v) THE ASSOCIATED CHAMBERS OF COMMERCE AND INDUSTRY OF INDIA (ASSOCHAM)**

- Organisation** : The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Objective** : CEO's Delegation to develop economic and trade relations between India and People's Republic of China
- Date** : 28 May to 2 June 2001
- Country** : China: Beijing and Shanghai

#### ***Summary Report***

This ASSOCHAM CEO's Delegation Report on China was prepared on the occasion of signing of MoU between the ASSOCHAM and the China Council for the Promotion of International Trade (CCPIT) with the desire to develop economic and trade relations between India and China.

According to the MoU both the partners will recommend and introduce to each other opportunities for cooperation and partners for investment and trade. Both parties will endeavour to promote the development of economic trade and technological cooperation between the SMEs in the respective countries.

This delegation report highlights Indo-Chinese trade, touching \$2.9 billion. The composition/profile of India's exports is changing from commodities to building materials, light engineering, steel, etc. There is lot emphasis to move to services, high-tech and IT in centres like Beijing, Shanghai, Shenzhen. Many global organisations have already established their presence in Beijing, through manufacturing, services, and representative offices.

Chinese have begun investing in countries which have been sources of raw materials. Chinese joint ventures have been established in Australia, Brazil, Russia (Siberia). However, their experience of managing plants overseas has been poor.

#### ***Members of Delegation***

1. Mr. Raghu Mody, President, ASSOCHAM and Chairman, Rasoi Ltd., New Delhi.  
*Leader of the Delegation*
2. Mr. K.K. Nohria, Alternate President, ASSOCHAM and Chairman (Co-leader of the delegation), from Crompton Greaves Ltd.
3. Mr. Jayant Bhuyan, Secretary General, ASSOCHAM, New Delhi.
4. Mr. Anil Agarwal, Chairman, ASSOCHAM Committee on International Trade & President, from Cosmos International
5. Mr. Mahendra Agarwal, Managing Director, GATI Corporation Ltd.
6. Mr. J.C. Agarwal, Chairman, Pratap Synthetics Pvt. Ltd.
7. Mr. S.L. Agarwal, Chief Executive, Hindustan Produce Company
8. Mr. A.K. Atal, President, Cochin Chamber of Commerce & Industry and Vice Chairman and Managing Director, J. Thomas & Co. Pvt. Ltd.
9. Mr. G.C.M. Banerje, Managing Director, Indian Liners Pvt. Ltd.
10. Mr. N.K. Choudhary, Managing Director, Indian Aluminium Co. Ltd.
11. Mr. K.L. Chugh, Chairman, ASSOCHAM Knowledge Millennium Committee & Chairman, GATI Corporation Ltd.
12. Mr. Subhash Goyal, Chairman, ASSOCHAM Committee on Tourism and Civil Aviation & Chairman, Stic Group of Companies
13. Mr. Kapil Kaul, Director-Corporate Affairs, Hindustan Composites Ltd.
14. Mr. Shankar R. Rao, General Manager, The Export Import Bank of India
15. Mr. Ravi Todi, Managing Director, Sharchi Securities Ltd.

### ***Conclusion***

Chinese threat and potential are known to Indian industry. Trade disputes by Indian industry are on the rise which means it is necessary to do business with the end user. It is suggested that Indian businessmen should do business through Hong Kong. Hong Kong (\$4 billion) and China (\$ 2.9 billion) together account for 10 per cent of India's trade.

Chinese acknowledge India's economic development especially in IT and keen to see more investments. There are export opportunities for the following items for India:

Processed food (tomato sauce, chilli paste, mango pulp, soyabean meal/animal feed); processed milk (powder, skimmed, condensed); fruits (subject to sanitary and phytosanitary measures agreement); marine products (live); sugar, guargum, plastics, auto components, especially for 2-wheelers; builders hardware; cosmetics pharmaceuticals, and English language courses.