

Press Communiqué

MCCI organized an Interactive Session with **Mr. Ma Zhanwu, Consul General of People's Republic of China in Kolkata** on the theme "**Doing Business with China**" at the Chamber today.

Mr. Ma Zhanwu said that Chinese investments in India grew 700 p.c. in 2016 which dropped to a growth rate of 20 p.c. in 2017 due to high base effect and the standoff between the two countries on Doklam issue. However, Mr. Zhanwu attaches significance to the scheduled informal meeting between the Chinese Head of State and Prime Minister Modi tomorrow and other high level ministerial exchanges between the two countries. Consequently, he believes that Chinese investments in India will show sharp growth in 2019. The huge trade deficit between China and India can be tackled if more Chinese companies decide to manufacture in India. In any case, Mr. Zhanwu believes that the trade deficit will not last long.

The current year is the 40th anniversary of reforms in China which have transformed the country and the average worker earnings has gone up substantially. China has experienced sharp rise in productivity, expanded its manufacturing activity and improved its governance over the last four decades.

Mr. Zhanwu advised entrepreneurs to visit 'expos' in China and seek local partners. He laid emphasis on respect and mutual benefit in the relationship. It would be helpful if we look at China in a positive way and not as a threat. The two countries together house 35 p.c. of the world's population and if they cooperate, they can make a big difference for the world. Wars, global warming and trade wars need to be addressed. Among other issues, Mr. Zhanwu said that the complete works of Tagore were published in Chinese a year ago.

Mr. Zhanwu showed a presentation on the China International Import Expo which will demonstrate China's commitment to globalization, balanced trade and allow developing nations to participate in the global economy. The expo will be held from 5 November to 10 November 2018 in Shanghai.

Mr. Zhanwu said that Chinese Consulates will hold the China University Expo on 10 and 11 May 2018 in Bangalaoe. Over 60 Chinese Universities will attend the expo. He added that higher education in China is cost effective.

Mr. Zhanwu observed that Ms. Mamata Banerjee, Hon'ble Chief Minister of West Bengal and Mr. Yogi Adityanath, Hon'ble Chief Minister of Uttar

Pradesh will shortly visit China. Such visits have worked in the past. Hon'ble PM, Mr. Modi had visited China many times as Chief Minister of Gujarat and many Chinese companies operate in Gujarat.

Earlier **Mr. Ramesh Agarwal, President, MCCI** in his welcome address said that India – China relations are characterized by high level ministerial interaction. Yesterday, Mrs. Sitharaman, our Defence Minister and Mrs. Sushma Swaraj, Indian Foreign Minister were in China to attend meetings related to Shanghai Cooperation Organisation (SCO). Our Hon'ble Prime Minister will visit China from 27th April 2018. Ms Mamata Banerjee, our Hon'ble Chief Minister will also visit China soon.

India – China economic / trade relations constitute an important element of the strategic and cooperative partnership between the two countries. In the first ten months of the last fiscal year 2017-18, India's exports to China stood at USD 10.31 billion, while imports from China grew to USD 63.24. The growing trade deficit has ballooned to USD 52.9 billion during the first ten months of last fiscal year from USD 1.1 billion in 2003-04. In order to address the high trade deficit, India has repeatedly sought market access to a broader group of products. China exports a wide range of products to India including capital goods, power & telecom and off course, a large range of consumer goods.
