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SINGAPORE: Chinese foreign direct investment (FDI) into India could touch USD 30 billion by 2025, says a book.

"We deem it entirely possible that, by 2025, the stock of Chinese FDI into India could be USD 30 billion, and if Chinese industrial clusters come to be established (in India) even larger, says the book titled "The Silk Road Discovered".



(Chinese foreign direct investment (FDI) into India could touch USD 30 billion by 2025, says a book.)

It is co-authored by Singapore-based business veteran Girija Pande, the Washington DC-based research consultancy China India Institute chairman Anil K. Gupta and the institute's managing partner Haiyan Wang.

"This projection refers only to equity ownership of 10 per cent or more in an India-based company.

"It does not include loan or minority stakes," said the authors in the book, noting that both Chinese and Indian companies have entered into each other's markets through third-party business acquisitions.

The book was launched by Arnoud De Meyer, President of the Singapore Management University, today.

"We are forecasting nearly USD 25 billion Chinese investment into India in the next five to seven years.

"The Chinese investment into India will help build up infrastructure and export manufacturing," Pande told PTI during the book launch.

He highlighted increasing trade between China and India, citing among others Reliance Power's plant order of USD 8 billion signed with Shanghai Electric in 2010, perhaps the largest cross-border deal ever signed in the power sector worldwide.

Pande estimates India has placed about USD 10 billion worth of power plant orders with Chinese manufacturers.

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He is executive chairman of the investment-based Apex Avalon Consultancy in Singapore and former chairman of Tata Consultancy Services in Asia Pacific.

Going forward, the Chinese must manufacture these plants, among others, in India, and be close to the market, said Pande.

Elaborating, Pande said the next step will be to get the Chinese manufacturers to set up shop in India, pointing out that Far-eastern country is already relocating its low-end manufacturing to the South East Asian countries while focusing on high-end production.

Pande said India needs to set up export-oriented manufacturing and utilise the opportunity to work with the Chinese major manufacturers, taking over component, parts and semi-finished product making contracts.

Pande says he is confident that the Indian manufacturing link up with Chinese production houses could significantly help balance the current trade deficit between the two countries.

The trade deficit figure stands at a hefty USD 40 billion in favour of China, out of the two-way trade of about USD 70 billion.

By 2025, China and India will be two of the world's four largest economies and by then, economic ties between them should also rank among the 10 most important bilateral ties worldwide, said Pande.

The Silk Road Rediscovered seeks to deeply analyse the growing corporate linkages between India and China.

The 269-page publication talks about how Indian and Chinese companies are becoming globally stronger by winning in each other's markets.

It examines how India companies such as Tata Consultancy Services, Mahindra Tractors, NIIT, Tata Motors/Jaguar Land Rover and Sundaram Fasteners have figured ways to win in China.

Their experiences may inspire and offer lessons to other Indian companies, it said.

The book also examines how Chinese pioneers such Lenovo, Huawei, TBEA, Haier and Xinxing have made a strong commitment to India and are beginning to realise the fruits as a result of this commitment.

Social and Family Development Minister Chan Chun Sing needed no more than 140 characters to sum up the story of success for this year's graduates from the Singapore Management University (SMU).

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He told the more than 2,100 graduates that he had been told not to speak too long.

"And I was advised that SMU has a lively bunch of students, who will not tolerate long lectures," he quipped.

Fashioned as a tweet, Mr Chan likened life to a video game, congratulating graduates for completing "Level SMU".

"Now, let me also welcome you to the next level - UOL, this is not the bank, this is the 'University of Life'," said the 45-year-old, who is also the Second Defence Minister.

Mr Chan invented two equations that derive success and good attitude.

The first indicated that success was a function of effort more than talent - with opportunities and chance thrown in. The sum of this should be greater than IMM (I, Me, Myself).

Life will still have its ups and downs that are beyond one's control, said Mr Chan, adding that "perhaps that is the fun of living in the University of Life".

He told the graduates to go beyond their own wants and desires, and pay heed to a "higher calling".

"Success will be hollow if everything revolves around 'I, Me, Myself'," he said.

Secondly, attitude is about marrying the person you love (MPUL) and loving the person you marry (LPUM).

Mr Chan urged graduates to apply the concept of marriage to "all things we do".

"It is all right and it is correct to pursue our dreams, to go and pursue the person whom we love, to look for the job we so desire... it is important to commit ourselves to the job, the career that we have so chosen, or to commit ourselves to the person whom we have so chosen to be our life partner."

It is with such an attitude that people "will be able to do great stuff", Mr Chan added.

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