

The People's Republic of China (PRC) was established on October 1, 1949, and India was the first non-communist country to establish an Embassy in PRC. On April 1, 1950, India and China established diplomatic relations. The two countries also jointly expounded the Panchsheel (Five Principles of Peaceful Coexistence) in 1954.

Background of India-China Relations

1. Chinese Premier Zhou Enlai visited India in June 1954 and Prime Minister Nehru visited China in October 1954.
2. Premier Zhou Enlai again visited India in January 1957 and in April 1960.
3. The Sino-Indian conflict, which took place from October 20 in 1962 led to a serious setback in bilateral relations.
4. India and China restored ambassadorial relations in August 1976.
5. Higher political level contacts were revived by the visit of the then External Affairs Minister, A.B. Vajpayee in February 1979.
6. The Chinese Foreign Minister Huang Hua paid a return visit to India in June 1981.
7. Prime Minister Rajiv Gandhi visited China in December 1988.
8. During this visit, both sides agreed to develop and expand bilateral relations in all fields.
9. It was also agreed to establish a Joint Working Group (JWG) – to seek a fair, reasonable, and mutually acceptable solution on the boundary question – and a Joint Economic Group (JEG). From the Chinese side, Premier Li Peng visited India in December 1991.
10. Prime Minister Narasimha Rao visited China in September 1993.
11. The Agreement on the Maintenance of Peace and Tranquillity along the Line of Actual Control (LAC) in the India – China Border Area was signed during this visit, providing for both sides to respect the status quo on the border, clarify the LAC where there are doubts and undertake CBMs.
12. President R. Venkataraman paid a state visit to China in May 1992.
13. This was the first Head of State-level visit from India to China.
14. President Jiang Zemin's state visit to India in November 1996 was similarly the first by a PRC Head of State to India.
15. The four agreements signed during his visit included the one on CBMs in the Military Field along the LAC covering the adoption of concrete measures between the two militaries to enhance exchanges and to promote cooperation and trust.
16. India-China political relations are enhanced and strengthened by various mechanisms.
17. There is a close and regular interaction between strategic and foreign policy think-tanks.

Relations after Nuclear Test

1. After the nuclear tests on 11 May 1998, the relations faced a minor setback.

2. External Affairs Minister Jaswant Singh visited China in June 1999 and both sides reiterated that neither country is a threat to the other.
3. President K.R. Narayanan's visit to China in May – June 2000 marked a return to high-level exchanges.
4. Premier Zhu Rongji visited India in January 2002.
5. Prime Minister A.B. Vajpayee visited China in June 2003 during which a Declaration on Principles for Relations and Comprehensive Cooperation was signed.
6. This was the first comprehensive document on the development of bilateral relations signed at the highest level between India and China.
7. India and China concluded a border trade protocol to add a border crossing between Sikkim and Tibet Autonomous Region.
8. The two Prime Ministers appointed Special Representatives to explore from the political perspective of the overall bilateral relationship the framework of a boundary settlement.

Indian Companies in China

1. With the growth in bilateral trade between India and China in the last few years, many Indian companies have started setting up Chinese operations to service both their Indian and MNC clientele in China.
2. Indian enterprises operating in China either as representative offices, Wholly Owned Foreign Enterprises or Joint Ventures with Chinese companies are into manufacturing (pharmaceuticals, refractories, laminated tubes, auto-components, wind energy, etc.), IT and IT-enabled services (including IT education, software solutions, and specific software products), trading, banking, and allied activities.
3. While the Indian trading community is primarily confined to major port cities such as Guangzhou and Shenzhen, they are also present in large numbers in places where the Chinese have set up warehouses and wholesale markets such as Yiwu. Most of the Indian companies have a presence in Shanghai, which is China's financial centre; while a few Indian companies have set up offices in the capital city of Beijing. Some of the prominent Indian companies in China include Dr. Reddy's Laboratories, Aurobindo Pharma, Matrix Pharma, NIIT, Bharat Forge, Infosys, TCS, APTECH, Wipro, Mahindra Satyam, Essel Packaging, Suzlon Energy, Reliance Industries, SUNDARAM Fasteners, Mahindra & Mahindra, TATA Sons, Binani Cements, etc.
4. In the field of banking, ten Indian banks have set up operations in China.
5. State Bank of India (Shanghai), Bank of India (Shenzhen), Canara Bank (Shanghai) and Bank of Baroda (Guangzhou), have branch offices, while others (Punjab National Banks, UCO Bank, Allahabad Bank, Indian Overseas Bank, Union Bank of India, etc.) have representative offices.
6. Apart from PSU banks, private banks such as Axis, ICICI also has representative offices in China.

Chinese Companies in India

1. According to information available with the Embassy of India, close to 100 Chinese companies have established offices/operations in India.
2. Many large Chinese state-owned companies in the field of machinery and infrastructure construction have won projects in India and have opened project offices in India.
3. These include Sinosteel, Shougang International, Baoshan Iron & Steel Ltd, Sany Heavy Industry Ltd, Chongqing Lifan Industry Ltd, China Dongfang International, Sino Hydro Corporation, etc.
4. Many Chinese electronic, IT, and hardware manufacturing companies also have operations in India. These include Huawei Technologies, ZTE, TCL, Haier, etc.
5. A large number of Chinese companies are involved in EPC projects in the Power Sector.
6. These include Shanghai Electric, Harbin Electric, Dongfang Electric, Shenyang Electric etc. Chinese automobile major Beijing Automotive Industry Corporation (BAIC) has recently announced plans to invest US\$ 250 million in an auto plant in Pune.
7. TBEA a Xinjiang-based transformer manufacturer has firmed up plans to invest in a manufacturing facility in Gujarat. During the visit of Premier Wen to India, Huawei announced plans to invest in a telecom equipment manufacturing facility in Chennai.
8. India-China economic relations constitute an important element of the strategic and cooperative partnership between the two countries. Several institutional mechanisms have been established for enhancing and strengthening economic cooperation between the two countries.
9. Besides the India-China Joint Economic Group on Economic Relations and Trade, Science and Technology (JEG), and the India-China Strategic and Economic Dialogue (SED), a Financial Dialogue has also been taking place between the two countries since 2006.

India-China Financial Dialogue

1. In accordance with the MoU on the Launch of the Financial Dialogue between India and China, signed during Chinese Prime Minister Wen Jiabao's visit to India in April 2005, the two sides have since successfully held Financial Dialogues.
2. A Joint Statement was signed and released at the end of the Dialogue.
3. During the Dialogue, both sides exchanged views on the global macroeconomic situation and policy responses, with specific reference to current risks to the global economy and the role of India and China in the post-crisis recovery phase.
4. Discussions also took place on G20 issues including reforms in the International Monetary System and the Framework for Strong, Sustainable, and Balanced Growth.

Banking Links

1. Many Indian banks have established their presence in mainland China in the last few years. Four Indian banks, namely, State Bank of India (Shanghai), Canara Bank

(Shanghai), Bank of Baroda (Guangzhou), and Bank of India (Shenzhen) have to branch offices in China.

2. At present, the State Bank of India is the only Indian bank to have the authorization to conduct local currency (RMB) business at its branch in Shanghai.
3. More Indian banks are planning to upgrade their Representative Offices in China to branch offices and existing branch offices are applying for RMB license.
4. Various Government institutions and agencies from the two countries have also been interacting with each other for furthering cooperation in areas such as taxation, human resource development, and employment, health, urban development, and tourism.
5. There are a close exchange and interaction between the economic think tanks and scholars as well.

CHINESE PRESIDENT XI JINPING'S VISIT (IN SEPTEMBER 2014)

China's President Xi Jinping's visit to India will go down history in five major aspects.

Result of the visit

- Annual Visits at the level of heads of State/Govt.
- A city in each country identified for a smart city demonstration project
- Increase speed on the existing line from Chennai to Mysore via Bangalore
- Training in a heavy haul for 100 Indian Railways officials
- Redevelopment of existing railway stations and establishment of a railway university in India
- 2015 as the 'Visit India Year' in China and 2016 as the 'Visit China Year' in India
- Promoting tourism products and routes in India based on the historical travels of the Chinese-monk scholar Xuan Zang to India in the 7th century AD
- China would be a partner country at the Delhi International Book Fair 2016
- China would be a guest country at the Indian International Film Festival 2014
- Strengthen exchanges in movies, broadcasting and television shows
- The first round of maritime cooperation dialogue to be held this year.

Latest Developments in India-China Relations

- In September 2014 the relationship became strained as troops of the People's Liberation Army (PLA) reportedly entered two kilometers inside the Line of Actual Control (LAC) in the Chumar sector. The next month, V. K. Singh said that China and India had come to an "agreement of views" on the threat of terrorism emanating from Pakistan.
- On 16 June 2017 Chinese troops with construction vehicles and road-building equipment began extending an existing road southward in Doklam, a territory which is claimed by both China as well as India's ally Bhutan.
- On 28 August 2017, China and India reached a consensus to put an end to the border stand-off. Both of them agreed to disengage from the standoff in Doklam.

- On 18 June 2017, around 270 Indian troops, with weapons and two bulldozers, entered Doklam to stop the Chinese troops from constructing the road. Among other charges, China accused India of illegal intrusion into its territory, across what is called the mutually agreed China-India boundary, and violation of its territorial sovereignty and United Nations Charter.
- In May 2018, the two countries agreed to coordinate their development programs in Afghanistan in the areas of health, education, and food security.
- In 2019, India reiterated that it would not join One Belt One Road initiative, stating that it cannot accept a project that ignores concerns about its territorial integrity.
- On 11 October 2019, Chinese president Xi Jinping met with Indian Prime Minister Narendra Modi at Mahabalipuram, Tamil Nadu, and India for a second informal meeting between India and China.
- On 10 May 2020, Chinese and Indian troops clashed in Nathu La, Sikkim (India). 11 soldiers were injured. Following the skirmishes in Sikkim, tensions between the two countries grew in Ladakh with a buildup of troops at multiple locations.
- In the initial weeks of June 2020, there was a substantial buildup of troops on both sides of the LAC, with both the Indian and Chinese army matching strength for strength
- Following a high-level visit by commanding officers of both the Indian and Chinese forces, the Chinese army on June 9th, 2020 agreed to withdraw about 2-2.5 km away from the disputed territory, with the Indian army also agreeing to disengage at some locations. Talks for further disengagement are to continue in the coming days.
- A major incident had occurred in the stand-off between India and China in Ladakh on the night of 15th June 2020. One Commanding Officer and two jawans of the Indian Army lost their lives during a violent face-off with Chinese troops in the Galwan area of Eastern Ladakh. These are the first combat deaths on the disputed boundary since 1975. In total, 20 Indian soldiers were martyred in the clashes. Indian Army had given a befitting reply to the Chinese Army and as per different Indian media reports, the Chinese Army lost a substantial number of soldiers in the ensuing conflict.
- Army Chief Gen Manoj Naravane had taken a review of the situation and announced that further steps will be taken to de-escalate the situation while calling for restraint from personnel of both the Armies.

INDIA-CHINA: 70 YEARS OF DIPLOMATIC RELATIONS

Why in News

India and China mark the 1st April 2020 as the **70th anniversary of the establishment of diplomatic relations between them starting from 1950 till now.**

Chronology

- **1950**

- India and China established **diplomatic relations** on **1st April 1950**.
- **India** was the **first non-socialist country** to establish relations with the People's Republic of China and the catchphrase '**Hindi Chini Bhai Bhai**' became famous.
- **1955**
 - Both countries attended the **Asian-African Conference** in which 29 countries participated in **Bandung, Indonesia** and jointly advocated the **Bandung Spirit of solidarity, friendship and cooperation**.
 - It has led to the decolonisation of the whole of Asia and Africa and to the formation of a **Non-Aligned Movement** as the third Way between the Two Blocs of Superpowers.
 - The First NAM Summit Conference took place in **Belgrade, Yugoslavia, in September 1961**.
- **1962**
 - The **border conflict** led to a serious setback in bilateral relations.
- **1976**
 - China and India **restored ambassadorial relations** and bilateral ties improved gradually.
- **1988**
 - Indian Prime Minister Rajiv Gandhi visited China, **initiating the process of normalization of bilateral relations**.
 - The two sides **agreed to look forward** and develop bilateral relations actively in other fields while seeking a mutually acceptable solution to boundary questions.
- **1992**
 - Indian President **R. Venkataraman** visited China.
 - He was the **first President who visited China since the independence of the Republic of India**.
- **1996**
 - Chinese President Jiang Zemin visited India.
 - He was the **first head of state from China who visited India since the establishment of bilateral ties**.
 - **Agreement** between the Government of China and the Government of India on **Confidence Building Measures in the Military Field** along the Line of Actual Control in the India-China Border Areas was **signed**.
- **2000**
 - Indian President K R Narayanan visited China on the occasion of the **50th anniversary of the establishment of diplomatic ties** between China and India.

- **2008**
 - "A Shared Vision for the 21st Century" was agreed upon by the two governments.
- **2010**
 - The **60th anniversary of the establishment of diplomatic ties** between China and India.
 - In December, the two countries issued a **Joint Communiqué**.
- **2011**
 - It was the '**China-India Exchange Year**'.
 - Both sides held a **series of people-to-people and cultural exchange activities**.
 - Both of them signed a **memorandum on joint compilation** for the '**Encyclopedia of India-China Cultural Contacts**'.
- **2012**
 - It was the '**Year of China-India Friendship and Cooperation**'.
 - The head of the governments met each other on the **sidelines of the 4th BRICS Summit and the United Nations Conference on Sustainable Development**.
- **2015**
 - The two sides met on the sidelines of the **7th BRICS Summit in Ufa, Russia and the Leaders' Meetings on East Asia Cooperation in Malaysia**.
 - China decided to **open the Nathu La Pass (Sikkim)** to Indian official pilgrims to Xizang.
 - India celebrated the **India Tourism Year** in China.
- **2018**
 - Chinese President held an **informal meeting with Indian Prime Minister in Wuhan** which set up a new model of exchanges between two leaders.
 - Indian Prime Minister visited China to attend the **SCO Summit in Qingdao**.
 - The two leaders met again on the **sidelines of the 10th BRICS Summit and the G20 Summit in Buenos Aires**.
- **2019**
 - The **second informal meeting was held in Mamallapuram, Chennai** which **reaffirmed the Wuhan consensus**.
 - Both nations agreed to build a closer partnership for development, enhance the in-depth strategic communication, promote mutually beneficial cooperation in various fields and advance exchanges and mutual learning between the two civilizations.
 - Both sides met on the sidelines of the **SCO Summit in Bishkek and the 11th BRICS Summit**.
- **2020**

- It marks the year of the **70th anniversary of the establishment of diplomatic relations** between China and India.
- It is also **China-India Year of Cultural and People-to-People Exchanges**, where the two sides agreed to hold 70 celebratory activities to demonstrate the historic connection between the two civilizations as well as their growing bilateral relationship.

Facts and Figures on China-India Cooperation

Political and Diplomatic Relations

- The **Communist Party of China (CPC)** has maintained friendly exchanges with 9 major Indian political parties including the BJP, Congress and left-wing parties for a long time.
- **20 Inter-parliamentary friendship groups** have been set up by China and India.
- There are **50 dialogue mechanisms** between China and India for exchanging views on various topics of bilateral, regional and global concern.

Economy and Trade

- Since the beginning of the 21st century, trade between China and India has grown from less than \$3 billion to nearly \$100 billion, an **increase of about 32 times**.
 - **In 2019, the trade volume between China and India was \$92.68 billion.**
- With a **combined market of over 2.7 billion people and a GDP of 20% of the world's total**, China and India enjoy huge potential and broad prospects for economic and trade cooperation.

Science and Technology

- Both nations have held **Joint Research workshops** on Science and Technology Innovation.
- Indian companies have set up **IT corridors in China**, which help promote China-India cooperation in information technology and high technology.

Defense

- **'Hand-in-Hand' joint anti-terrorist exercises** to enhance mutual understanding and trust, exchange training experiences and jointly improve anti-terrorism capabilities.
- **China-India defense and security consultation** to strengthen exchanges and cooperation in the defense field.

People-to-People Exchanges

- Both nations have held meetings of **China-India High-Level People-to-People and Cultural Exchanges Mechanism**. The two sides have made new progress on exchanges and cooperation in the fields of art, publishing, media, film and television, museum, sports, youth, tourism, locality, traditional medicine, yoga, education and think tanks.

- Sessions of **China-India High Level Media Forum** and **China-India Think Tank Forum** were held to strengthen exchanges and cooperation in the field of media and think tanks.
- The two countries have established **pairs of sister cities and provinces**. For example, sister provinces and cities between **Fujian Province and Tamil Nadu State, Quanzhou City and Chennai City**.
- The **number of Indian pilgrims to Xizang Autonomous Region of China has surged** from several hundreds in the 1980s to more than 20,000 in 2019.

Way Forward

- Today's achievements of India-China relations embodied the great efforts of several generations.
- Both nations **need to master the four keys of:**
 - **Leading:** It means to reach consensus and guide the direction of the development of bilateral relations under the guidance of leaders from both nations.
 - **Transmitting:** It means to transmit the leaders' consensus to all levels and translate it into tangible cooperation and outcomes.
 - **Shaping:** It means to go beyond the mode of managing differences, shape bilateral relations actively and accumulate positive momentum.
 - **Integrating:** It means to strengthen exchanges and cooperation, promote convergence of interests and achieve common development.
- At this moment, it is particularly important to revisit the original aspiration of establishing diplomatic relations 70 years ago and carry forward the spirit of good neighborliness and friendship, unity and cooperation.

INDIA-CHINA CONFLICT

Why in News

Recently, the **third round of Corps Commander-level talks** was held between India and China.

- Both the sides emphasised on expeditious, phased and step-wise de-escalation in areas close to the **Line of Actual Control (LAC)** in Ladakh as priority.

Key Points



▪ Background:

- In the previous two rounds, India sought **restoration of the status quo** as it existed before the **standoff began in May 2020**.
 - Indian and Chinese troops scuffled at Pangong Tso in Ladakh on 5/6th May.
- After the first round of talks on 6th June, 2020, **clashes occurred in Galwan Valley (Ladakh)** that claimed 20 Indian soldiers' lives and an unknown number of casualties on the Chinese side.
- While faceoffs and standoffs keep occurring on the LAC due to differences in perception on the alignment, there has been no instance of firing on the LAC since 1975.
 - India and China fought a war in 1962.

▪ India's Response:

- **Military:**
 - India has moved in additional divisions, tanks and artillery across the LAC to match Chinese deployments.
 - Further, India has approved the purchase of 33 Russian fighter jets and upgrades to 59 war planes at a cost of Rs. 18,148 crore.
- **Economic:**
 - Citing the “emergent nature of threats” from mobile applications, including popular ones of **Chinese origin** such as TikTok, ShareIt, UC Browser, and Weibo, the government has **banned 59 apps**.
 - Further, **India's trade deficit with China fell to \$48.66 billion in 2019-20** on account of the **decline in imports**. The trade deficit stood at \$53.56 billion in 2018-19 and \$63 billion in 2017-18.
 - However, the tensions on the border, as well as the **Covid-19 pandemic**, have thrown light on India's economic dependencies on China.
 - **India remains reliant on Chinese products** in several critical and strategically sensitive sectors, from semiconductors and active pharmaceutical ingredients to the telecom sector, where Chinese vendors

are involved not only in India's 4G network but in on-going 5G trials as well.

- **Foreign Direct Investment (FDI) from China in India has dipped to \$163.78 million** in 2019-20 from \$229 million in 2018-19.
 - In April 2020, the **Indian government tightened FDI norms** coming from the countries which **share land borders with India**. Government approval has been made mandatory.

- **China's Reaction:**

- It has described the app ban action as "a deliberate interference in practical cooperation" between the two countries. China's State media has warned of economic repercussions, such as affecting outbound Chinese investment into India.

Possible Reasons Behind Increased China's Deployment at the LAC

- India's decision to strengthen its border infrastructure (**Darbuk-Shyok-Daulat Beg Oldie road**).
- India's United States tilt (e.g. **Quad**) amid **US-China tensions**.
- China views India's assertions regarding Gilgit-Baltistan, as an implicit attack on the **China-Pakistan Economic Corridor (CPEC)**, China's flagship programme.
- China's growing assertiveness over the **South China Sea**.
- Political and economic tensions within China due to Covid-19 pandemic.
- **India being a growing power in Asian region.**

Line of Actual Control

- **Demarcation Line:** The Line of Actual Control (LAC) is the demarcation that separates Indian-controlled territory from Chinese-controlled territory.
- **LAC is different from the Line of Control (LoC) with Pakistan:**
 - The LoC emerged from the 1948 ceasefire line negotiated by the **United Nations (UN)** after the Kashmir War.
 - It was **designated as the LoC in 1972, following the Shimla Agreement** between the two countries. It is delineated on a map signed by the Director General of Military Operations (DGMO) of both armies and has the international sanctity of a legal agreement.
 - The LAC, in contrast, is only a concept – **it is not agreed upon by the two countries**, neither delineated on a map or demarcated on the ground.
- **Length of the LAC:** India considers the LAC to be 3,488 km long, while the Chinese consider it to be only around 2,000 km.

WHY LAC OFTEN FLARES UP

23 “disputed and sensitive” areas along the unresolved 3,488-km-long LAC witness aggressive patrolling & face-offs between troops from the two sides

FLASHPOINTS INCLUDE:



▪ Sectors Across the LAC:

- It is divided into **three sectors**: the **eastern sector** which spans **Arunachal Pradesh and Sikkim (1346 km)**, the **middle sector** in **Uttarakhand and Himachal Pradesh (545 km)**, and the **western sector** in **Ladakh (1597 km)**.
 - The alignment of the LAC in the eastern sector is along the **1914 McMahon Line**.
 - The McMahon line marked out previously unclaimed/undefined borders between Britain and Tibet.
- The middle sector is the least disputed sector, while the western sector witnesses the highest transgressions between the two sides.

▪ Disagreements:

- India's **claim line is different from that of the LAC**. It is the line seen in the official boundary marked on the maps as released by the **Survey of India**, including **Aksai Chin (occupied by China)**.
- In **China's case**, LAC corresponds mostly to its claim line, but in the eastern sector, it **claims the entire Arunachal Pradesh as South Tibet**.
- The **claim lines come into question when a discussion on the final international boundaries takes place**, and not when the conversation is about a working border i.e. LAC.

▪ Border Negotiations:

- Indian Prime Minister's visit to China in 2003 led to the agreement on appointing Special Representatives (SRs) and, in April 2005, there was agreement on the political parameters and principles that would underpin negotiations.

- The aim was a comprehensive solution encompassing all three sectors. The agreed boundary would follow well-defined geographical features and respect the interests of the settled populations.
- During Indian Prime Minister's visit to China in May 2015, the proposal to clarify the LAC was rejected by the Chinese.
- However, in the **Wuhan (2018) and Mahabalipuram (2019)** summits, both China and India had reaffirmed that they will make efforts to “ensure peace and tranquility in the border areas”.

Relevance of Pangong Tso Lake

- **Location:** It is a long narrow, deep, **endorheic (landlocked)** lake situated at a height of more than 13,000 ft in the Ladakh Himalayas.
- **Significance:** It lies in the path of the **Chushul approach, one of the main approaches that China** can use for an offensive into Indian-held territory.
- **Governance:** It is overlooked by the **Finger Area - a set of eight cliffs** extending out of the Sirijap range (on the northern bank of Lake).
 - India claims that the **LAC is coterminous with Finger 8 but it physically controls area only upto Finger 4.**
 - Chinese border posts are at Finger 8, while it believes that the **LAC passes through Finger 2.**

THE LINE OF ACTUAL CONTROL AT PANGONG TSO

1 Located at an altitude of 13,900 feet, two-thirds of the 134km-long lake is controlled by China as it extends from Tibet to India

2 India physically controls till Finger-4 (has a post between F3 and F4) but for decades has been patrolling west to east till Finger-8, where it says the LAC runs north to south



3 China has posts and bases at Finger-8, claims territory up to Finger-2

4 Since early May, PLA has blocked all Indian patrols beyond Finger-4 by occupying the 8km stretch between Finger-4 and Finger-8 by building fortifications and bunkers

Way Forward

- Detailed protocols are in place for troops to handle face-off incidents. The countries need to stick to the **2005 protocol** and the **2013 Border Defence Cooperation Agreement**.
- On 1st April, 2020, **India and China completed their 70 years of diplomatic relations**. Both sides should acknowledge that the situation is precarious, and that the recent days in particular have undone decades of painstakingly negotiated confidence-building mechanisms.
- **For India**, the first priority has to be to **restore the status quo ante** at the border as it existed in April. This will require both a **display of military strength** at the border by standing up to Chinese aggression, and **diplomatic work** by making it clear to China that its intervention will lead to heavy costs across all spheres of the relationship.
- India cannot afford to sever all its economic links with the world's second-largest economy, even in the digital space. Chinese finance will help in sustaining India's start-up economy. However, through **Atmanirbhar Bharat Abhiyan**, India can try to

replace chinese products with domestic products in the sectors where it is possible. Further, it needs to **boost up its economic relations** with other countries.

PRAGNYA IAS ACADEMY