

India-China Bilateral Relations

Political Relations

On 1 April, 1950, India became the first non-socialist bloc country to establish diplomatic relations with the People's Republic of China. Prime Minister Nehru visited China in October 1954. While, the India-China border conflict in 1962 was a serious setback to ties, Prime Minister Rajiv Gandhi's landmark visit in 1988 began a phase of improvement in bilateral relations. In 1993, the signing of an Agreement on the Maintenance of Peace and Tranquility along the Line of Actual Control (LAC) on the India-China Border Areas during Prime Minister Narasimha Rao's visit reflected the growing stability and substance in bilateral ties.

Visits of Heads of States/Heads of Governments

Cumulative outcomes of the recent high level visits have been transformational for our ties. During Prime Minister Atal Behari Vajpayee's visit in 2003, the India and China signed a Declaration on Principles for Relations and Comprehensive Cooperation and also mutually decided to appoint Special Representatives (SRs) to explore the framework of a boundary settlement from the political perspective. During the April 2005 visit of Premier Wen Jiabao, the two sides established a Strategic and Cooperative Partnership for Peace and Prosperity, while the signing of an agreement on Political Parameters and Guiding Principles, signaled the successful conclusion of the first phase of SR Talks.

More recently, during the State Visit of Chinese President Mr. Xi Jinping to India from 17 to 19 September 2014, a total of 16 agreements were signed in various sectors including, commerce & trade, railways, space-cooperation, pharmaceuticals, audio-visual co-production, culture, establishment of industrial parks, sister-city arrangements etc. The two sides also signed a MoU to open an additional route for Kailash Mansarovar Yatra through Nathu La. The Chinese side agreed to establish two Chinese Industrial Parks in India and expressed their intention to enhance Chinese investment in India.

Prime Minister Narendra Modi visited China from May 14-16, 2015. Besides meeting with the Chinese leadership, Prime Minister Modi and Premier Li also addressed the opening session of the First State/Provincial Leaders' Forum in Beijing. There were 24 agreements signed on the government-to-government side, 26 MoUs on the business-to-business side and two joint statements, including one on climate change. Prime

Minister also announced the extension of the e-visa facility to Chinese nationals wishing to travel to India.

The momentum of meetings at the leadership level continued in 2016 too. President Pranab Mukherjee made a state visit to China from May 24 to 27, 2016. He visited Guangdong and Beijing where he met with the Chinese leadership. President also delivered a keynote address at the Peking University and attended a Round Table between Vice Chancellors and Heads of institutions of higher learning of the two countries. Ten MoUs providing for enhanced faculty and student exchanges as well as collaboration in research and innovation were concluded between the higher education institutions of the two countries.

Prime Minister Narendra Modi visited China in September 2016 to participate in the G20 Summit in Hangzhou where he also held bilateral talks with President Xi Jinping. President Xi Jinping visited India in October 2016 to participate in the BRICS Summit in Goa. The two leaders also met along the sidelines of the SCO Heads of States Summit in Tashkent on June 23, 2016.

Other high level visits and mechanisms

India and China have established more than thirty dialogue mechanisms at various levels, covering bilateral political, economic, consular issues as well as dialogues on international and regional issues. The Foreign Ministers have been meeting regularly. Chinese Foreign Minister Wang Yi travelled to India from 12-14 August, 2016 during which he met with EAM and called on Prime Minister. The mechanism Special Representatives on the Boundary Question was established in 2003. The 19th round of talks between Shri Ajit Doval, National Security Advisor and Mr. Yang Jiechi, State Councillor was held in Beijing in April, 2016. State Councillor Yang Jiechi also visited India in November 2016 where he met with NSA for informal strategic consultations.

India and China have also established a High Level Dialogue Mechanism on Counter Terrorism and Security, led by Mr. R.N. Ravi, Chairman (JIC) and Mr. Wang Yongqing, Secretary General of the Central Political and Legal Affairs Commission of China. The first meeting of the mechanism was held in Beijing in September 2016.

To facilitate high level exchanges of Party leaders from China and State Chief Ministers from India, a special arrangement has been entered into by the International Department of the Central Committee of the Communist Party of China and the Ministry of External Affairs (MEA-IDCPC) since 2004. There are regular Party-to-Party exchanges between the Communist Party of China and political parties in India. In order

to facilitate exchanges between Indian states and Chinese provinces, the two sides have also established a States/Provincial Leaders Forum.

Commercial and Economic Relations

Trade and economic relationship has seen rapid progress in the last few years. India-China bilateral trade which was as low as US\$ 2.92 billion in 2000 reached US\$ 70.4 billion by 2015. India's exports to China touched US\$ 8.86 billion whereas China's exports were US\$ 61.54 billion. However, India still faces a growing trade deficit vis-a-vis China. In 2015 trade deficit stood at US\$ 52.67 billion. In the first nine months of 2016, as per provisional data from Chinese Customs authorities, India's exports to China amount to US\$ 8.46 billion, while India's imports from China amount to US\$ 44.40 billion. Apart from trade, India is also one of the largest markets for project exports from China. Currently, projects under execution are estimated at over US\$ 63 billion. As per Chinese figures, cumulative Chinese investments into India till September 2016 stood at US\$ 4.75 billion while Indian investments into China were US\$ 0.689 billion. Indian businesses have a presence in China in sectors such as IT, pharmaceuticals and automobiles.

The main dialogue mechanisms in the economic field are the Joint Economic Group led by Ministers of Commerce of both sides, Strategic Economic Dialogue led by the Vice Chairman of NITI Aayog and Chairman of National Development and Reform Commission of China, the NITI Aayog-Development Research Center Dialogue and the Financial Dialogue.

Cultural Relations

India-China cultural exchanges date back to many centuries and there is some evidence that conceptual and linguistic exchanges existed in 1500-1000 B.C. between the Shang-Zhou civilization and the ancient Vedic civilization. During first, second and third centuries A.D. several Buddhist pilgrims and scholars travelled to China on the historic "silk route". Kashyapa Matanga and Dharmaratna made the White Horse monastery at Luoyang their abode. Ancient Indian monk-scholars such as Kumarajiva, Bodhidharma and Dharmakshema contributed to the spread of Buddhism in China. Similarly, Chinese pilgrims also undertook journeys to India, the most famous among them being Fa Xian and Xuan Zang.

Cultural exchanges have blossomed in modern times. In early 20th century, Nobel laureate Rabindranath Tagore visited China twice, in 1924 and in 1929. Since 1911, Chinese scholars and intellectuals have been visiting and revisiting Tagore's life, works

and philosophy. Dr. Dwarkanath Kotnis who was part of a 1938 Indian medical mission comprising of five Indian doctors, is fondly remembered in China even to this day for his work in China during the Sino-Japanese war. Indian Bollywood movies were popular in China in the 1960s and 1970s and the popularity is being rekindled in recent times again. India and China have entered into an agreement on co-production of movies, the first of which based on the life of the monk Xuan Zang hit the theaters in 2016.

As a mark of the historical civilizational contact between India and China, India constructed a Buddhist temple in Luoyang, Henan Province, inside the White Horse Temple complex which was said to have been built in honour of the Indian monks Kashyapa Matanga and Dharmaratna. The temple was inaugurated in May 2010 by President Pratibha Patil during her visit to China. Besides this, in February 2007, the Xuanzang memorial was inaugurated at Nalanda. In June 2008, joint stamps were released, one stamp depicting the Mahabodhi temple at Bodhgaya and the other depicting the White Horse temple at Luoyang.

In order to further academic exchanges, a Centre for Indian studies was set up in Peking University in 2003. Chairs of Indian Studies/Hindi have also been established in Shenzhen University, Jinan University, Fudan University, Guangdong University and in Shanghai International Studies University.

Yoga is becoming increasingly popular in China. China was one of the co-sponsors to the UN resolution designating June 21 as the International Day of Yoga. During the visit of Prime Minister Narendra Modi to China in May 2015, a Yoga-Taichi performance in the world heritage site of Temple of Heaven was witnessed by Premier Li Keqiang and the Prime Minister. During the same visit, an agreement was signed to establish a Yoga College in Kunming, Yunnan Province.

Indian Community

The Indian community in China is growing. Present estimates put the community strength to around 33,500. A major part of this comprises of students (over 16000), who are pursuing courses in various universities in China. A number of Indians and PIOs are also working as professionals with various multinational and Indian companies.

Education Relations

India and China signed Education Exchange Programme (EEP) in 2006, which is an umbrella agreement for educational cooperation between the two countries. Under this agreement, government scholarships are awarded to 25 students, by both sides, in recognized institutions of higher learning in each other's country. The 25 scholarships

awarded by India are offered by Indian Council for Cultural Relations (ICCR). A revised EEP was signed during the visit of Hon'ble Prime Minister Sh. Narendra Modi to China in May 2015. The same provides for enhanced cooperation between institutions in the field of vocational education; collaboration between Institutes of higher learning, etc.

Apart from this, Chinese students are also annually awarded scholarships to study Hindi at the Kendriya Hindi Sansthan, Agra to learn Hindi. For the year 2015-16, 8 Chinese students have been selected to study in Agra under this scheme.

In 2010, it was decided to introduce Mandarin Chinese as a foreign language in the Central Board of Secondary Education (CBSE) syllabus. A Memorandum of Understanding was signed in August 2012, between Central CBSE and Confucius Institute, where both signatories agreed to exchange academic staff, teachers and trainees as well as exchange information on the system and structure of teaching Mandarin Chinese as a second language in schools in India. As a part of this MoU, the first batch of 22 Chinese teachers taught in select CBSE schools for two years, from January 2014 to January 2016.

The cooperation in the education sector between the two sides has resulted in an increase in the number of Indian students in China. As on date, there are over 16000 Indian students studying in various Universities in China in various disciplines. Similarly, around 2000 Chinese students are studying in various educational institutions in India.

Useful Resources

Website of the Embassy of India in Beijing: www.indianembassy.org.cn

Embassy of India, Beijing on Facebook:

www.facebook.com/IndiaInChina.EmbassyofIndia.Beijing

Embassy of India, Beijing on Twitter: <https://twitter.com/EOIBeijing>

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