

DOs and DON'Ts for Indian companies interested in doing business with Chinese companiesDOs

- i. Indian companies are requested to check the credibility of the Chinese company on which they are placing import orders.
- ii. Indian companies should insist on the copies of the passport/national identity card (issued by the Chinese Government) of the executives of the Chinese company with whom the Indian company is interacting. This would help to track down the offender in case they go absconding.
- iii. Contracts entered with Chinese companies need to have arbitration clause and proof of existence (company registration document) should be certified by Embassy of India, Beijing or the relevant Consulate.
- iv. Quality / Quantity of any product to be imported from China to be physically certified by the Indian company either by visiting China or by appointing an agency.
- v. Refer your trade queries to the Embassy of India or the Consulate Generals of India instead of B2B companies.
- vi. Most Indian companies have reported having faced problems dealing with businesses in Hebei (Shijiazhuang), Henan (Zhengzhou and Luohe) and Tianjin. Indian companies desirous of doing business with companies located in these places are advised to be cautious.
- vii. Physical inspection of the goods to be carried out by the importing company at the point of loading in China.

DON'Ts

- i. Indian companies are requested to desist from placing orders on Chinese companies listed on B2B sites in India and China.
- ii. Advance payment through bank transfer is discouraged; unless the credibility of the Chinese company is proved beyond doubt.
- iii. Do not release LC if not sure of the quality and quantity of the product.
- iv. Do not fall for offers of cheap products from the Chinese companies.