



MADE IN CHINA - A THREAT FOR INDIA? - A STUDY THROUGH THE HIDDEN FACTS

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Abstract

The Chinese economy rose at a violent pace for the past three decades, assisting China to build enormous cash reserves that is now playing an acute role in influencing India's markets. Chinese made goods have occupied almost all the sectors of Indian market and appear to be conveying harder times for the Indian industry. Because of varied availability of inexpensive and seemingly technologically advanced China made goods, many economists fear weakening of local manufacturing divisions or the small-scale industry in India. China procured the world by storm through its low-cost manufactured products. Foreign markets swamped with China made goods are evidence to that. The present study includes the analysis of made in china products, its impacts on Indians, deciding whether it is a threat to Indians or not, objectives of possible threats, assumed hypothesis in this direction, corresponding results and discussion, finding, recommendations and scope of further research in this direction.

Keywords: *China made goods; China made products; threat; made in China.*



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Introduction

China made products may be threat to Indian markets. It is because of the lower rates that people favour to buy china made goods. India, however progressing fast, is improbable to be anywhere near China in the upcoming year. So, Chinese market is definitely a probable threat to India. This is one of the reasons for economic threat. Chinese goods have substituted the branded Indian goods. China is providing its products at very low prices with huge varieties to select from. They appear attractive and are within the reach of common people but at the same time quality and durability of these product matters as well. Hence based on the following study, hidden facts and investigations it is shown that up to some extent products made in China are threat to India.[1]

Need or Importance of the Study

The study of this research idea is utmost important to study the impacts of made in China products on Indians and Indian economy, deciding about the existence of threats and related discussion.

Problem Statement:

Analysing of whether made in China products are threat to India with a study carried out through hidden facts.

Objectives:

- a. To study the hidden facts behind whether made in china products are threat to Indian.
- b. To suggest the possible measures to overcome any of these threats.
- c. To study the areas of problems faced by possible threats of made in China products in India.

Hypothesis:

There is hypothesis that Chinese made products imports are economically more competitive as compared to products made in India which has also been challenged. It is assumed that all the China made products are not of high quality for the use of Indian people.

Research Methodology:

Sources of data collection are:

The data, which is collected for the determination of study, is classified into 2 bases:

Primary sources:

The primary data comprises information survey of the first three references mentioned under reference section.

Secondary sources:

The secondary data has been collected from sources like internet, research reports, articles from newspapers and websites.

Result & Discussion:

China consequently becomes the noticeable target for countries starting anti-dumping actions. China has been progressively resorting to actions like dumping - it vends its products in the Indian market at much cheap prices. The consequence is that China has the prospective to cause damage to the domestic producers. India's infrastructure does not allow it as up till now to perceive huge markets of scale like those of China. Taking this competitive benefit, the Chinese industry is boosting itself by entertaining its products to India. But in the procedure, it is producing permanent damage to the producers and Indian domestic market.

The increase in demand and unexpected admiration of Chinese products, which are obtainable at cheaper prices, is providing nightmares to the Indian industry to the level that they have begun sticking "made in China" labels on their products to increase their sales. As from the above discussion, it is becoming threat to India.



Findings:

Low value, huge profit margin, wide obtainability, customer demand and diversity are the major findings behind retailers inclination towards Chinese brands over Indian brands.

Both branded as well as non-branded segment of products are being traded in the market this displays retailers dependency on non-branded Chinese toys.

The usage of low quality and toxic materials in certain china made brands in the previous few years, people today stress on the quality of the products and its influence.

India inclines to be deeply anxious of threats from China, while China seems comparatively unworried about threats from India, and discovers it difficult to understand why India might observe China as a threat. Two findings of this asymmetry are (1) a thoughtful and systematic underestimation of Chinese concerns regarding India, resultant from the deployment function of China's public media, and (2) the larger effectiveness of China's request of power over the previous 50 years. [1]

By discovering the export performances and speciality patterns of China and India, we measure their trade competitiveness and complementarity. The findings indicates that (i) India faces hard competition from China in the third markets particularly in textile, clothing, and leather products; (ii) there is a reasonable potential for increasing trade between the two countries;(iii) complementarity occurs between the imports of China and India,(iv) the export structure of China is varying with the exports of skill concentrated and high-technology products growing and those of labour-intensive products lessening gradually.[2]



Recommendations:

The China made product should be improved with higher quality, durability and better performance for Indian users. By this suggestion, considerable amount of existing threats would be decreased.

Conclusion:

It is observed that general retailers choose to buy China made products over Indian products due to customer demand, low cost of the product, product range and variety but simultaneously would not be able to compromise with the product quality. The threat does exist of China made products on India; however it can be reduced by the methods and discussion shown above.

Scope for Further Research:

Things are altering slowly and it is targeted that India will reach the equivalency with China in manufacturing in close future. The prohibition of Chinese goods must be levied gradually, in a way that hurts China more than India, only when India gains whole self-sufficiency.

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