

## India, China to cooperate in financial sector

India and China Friday took another step to expand their economic ties by agreeing to cooperate in the financial sector through government agencies, private institutions and banks.

Minister of State for Finance Pawan Kumar Bansal discussed issues relating to the financial sector with Zhou Xiaochuan, governor of the People's Bank of China, in Beijing.

In their 45-minute meeting, both sides discussed banking sector issues, including non-performing assets, banking in the agricultural sector and micro finance, the external affairs ministry said in a statement.

Bansal urged greater cooperation between the two countries in the financial sector, both through governmental agencies and private institutions and banks. The Chinese side responded positively to his proposal.

The two sides discussed common concerns like inflation, management of liquidity and financial education, and also explored the possibility of short exchange programmes between Indian and Chinese banks.

As this was the first visit by an Indian minister since a massive earthquake struck China's Sichuan province, Bansal conveyed India's condolences to the victims of the disaster.

India Thursday offered assistance worth \$5 million to China to help the victims of the quake that has claimed over 22,000 lives so far.

"He reiterated the support and cooperation of the government and people of India to China at this difficult hour," the statement said.

Bansal was the keynote speaker at the Second India-China High-Level Financial Development Forum held Thursday. The forum was supported by PBoC, the Indian Banks Association and the India-China Economic and Cultural Council.

Top managers of leading Indian public sector banks and senior officials and professionals from the banking, insurance and securities sector of the two countries participated in the forum.

Bilateral trade between India and China, which have forged a strategic partnership, is growing rapidly and is said to have surpassed \$40 billion. The two sides have set an ambitious target of \$60 billion trade by 2012.

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