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## PRESIDENT WRITES

**P**ersistent deficit in India's trade with Vietnam seems to have been left behind since last year. During 1995-96, exports from India to Vietnam amounted to \$ 123 million (a rise of 111% over last year) and imports from Vietnam totalled \$15 million (a fall of 65%). India, as a result, had a trade surplus of \$108 million during the year. So both sides have to make serious efforts to promote exports from Vietnam to India.

To promote two-way trade between India and Vietnam, every year Vietnam organises Quang Trung International Trade Fair in Ho Chi Minh City in November. This year, the Fair will be held between November 22 & 28, 1996 (Details given elsewhere in this issue). The scope of display at the Fair covers all types of consumer goods, handtools, chemicals, construction equipment, food processing equipment, garments, pharmaceuticals, etc. Indian companies in the past have successfully participated at this Fair.

Besides Quang Trung International Trade Fair, some Indian companies will be participating in the Engineering Production Machinery Fair, organised by the Hannover Trade Fair Authority, between November 18 and 22, 1996 in Ho Chi Minh City and Agricultural Fair in Can Tho Province between December 7 and 14, 1996 (Details given elsewhere in this issue).

As of June end 1996 more than 1200 projects were licensed with foreign capital of over US \$20 billion from more than 40 countries, of which \$6 million were actually invested. The Pune-based Western Pacques has recently entered into an agreement to set up a power plant, based on Municipal solid waste, in Ho Chi Minh city in Vietnam. The project is expected to cost \$70 million. There is a scope for setting up a similar project in Hanoi. It is estimated that Indian projects worth US \$300 million are currently under negotiation with Vietnam. Foreign Direct Investment in Vietnam is concentrated in all important sectors of hotel and tourism, services, transport and communication, oil and gas, agriculture, forestry and industrial zones.

Meanwhile, State Bank of India has agreed to send a study team to Vietnam to explore the possibility of converting its representative office in Ho Chi Minh City into a full-fledged branch office. Issue of direct airlinks is unlikely to be resolved in the near future as the survey by Air India and the Vietnam Airlines suggests that there is no adequate volume of traffic between our two countries to warrant such links. Nevertheless, Vietnam Airlines is considering to touch Delhi on Ho Chi Minh City - Dubai sector. As far as direct shipping is concerned, it is for businessmen of two countries to submit a viable proposition to which governments of both the countries are likely to respond favourably.

Atul Bhagwati  
President

February 27, 1996

## VIETNAM PLANS TO MOBILISE \$ 50 BILLION FOR ECONOMIC DEVELOPMENT

Equipment for agro-products, tea processing, rubber plantation and production, pharmaceutical products and ayurvedic medicines and spareparts for locomotives / coaches / buses were identified for joint-venture manufacturing between India and Vietnam by H. E. Mr Pham Van Trong, Deputy Finance Minister of Vietnam. Reacting to a point made by Mr. Atul Bhagwati, President, IVCCI in his speech earlier, that there was a move to close down Vietnamese Consulate in Mumbai, Mr. Trong, who was addressing a joint meeting of members of IMC and IVCCI, said that he would take this issue up with concerned authorities in Vietnam.

Giving a broad picture of Vietnam's economic performance, Mr. Trong said that the economy was likely to register a growth rate of 9 to 10 per cent during 1996 and the inflation rate would be around 10 per cent. Vietnam planned to mobilise \$ 50 billion for its economic development : 50% of it would be from domestic sources and the balance from foreign direct investment and loans from abroad, added Mr. Trong.

Speaking on the occasion, H. E. Mr. S. L. Malik, India's Ambassador, said that Vietnam was changing very fast and engaging attention of the whole world. The Indian business community, however, was not taking

active interest as it should have been in the affairs of Vietnam. Vietnam's global trade totalled \$ 12 billion. India's share in this was just one per cent. Vietnam has been able to attract foreign direct investment of \$ 17 billion as of date, said His Excellency.

### TRADE DEAL WITH INDIA IN PIPELINE

Vietnam and India will expedite the signing of a new trade agreement and a sea transportation agreement that would provide the legal basis for further bilateral cooperation.

This decision was made during the seventh session of the Indo-Vietnam inter-government Joint Commission held in New Delhi from February 22 to 26, 1996.

Led by Vietnamese Foreign minister Nguyen Manh Cam and his Indian counterpart Pranab Mukherjee, two sides reviewed the progress made in bilateral cooperation since the visit to India of Party General Secretary Do Muoi in September 1992, and the Indian Prime Minister Narasimha Rao's visit to Vietnam in September 1994.

While expressing satisfaction at the developments so far, both sides stressed the need to increase bilateral trade to match existing potential.

The two sides signed agreements on Scientific and Technological cooperation and extending an Indian credit line to Vietnam with preferential conditions for importing Indian goods and equipment.

Vietnam has a rich resource base. As far as crude oil production is

concerned, it is going to emerge as Indonesia of the East Asia. While at the Government's level, Vietnam was aware of India's technological developments and capabilities, it was not so at the business community's level in Vietnam. India has to create its own image in the Vietnamese market, Mr. Malik said.

The overwhelming majority of Vietnam's global trade is serviced by Vietnamese banks, including L/Cs at sight and deferred payment L/Cs. Vietnam is in the process to ensure that its banking system measures up to international standards for fulfilment of debt obligations. This has been recognised by the World Bank and other multilateral funding agencies. Recognising this, India's ECGC has also resumed cover against sight and deferred payment L/Cs opened on the main Vietnamese banks. Commenting on the move to close down Vietnamese consulate in Mumbai, His Excellency said that it was a retrograde step and he would take up the same with both the Governments of India and Vietnam. He also reacted favourably to the idea of providing training facilities to officials of Vietcochamber under the ITEC programme of the Government of India.

Earlier in his welcome address, Mr. F. T. Khorakiwala, President, Indian Merchants' Chamber, said that Vietnam was a land of opportunities



H. E. Mr. Pham Van Trong, Deputy Finance Minister of Vietnam addressing the meeting. Others in the picture (from L to R) are :- Mr. Atul Bhagwati, President, IVCCI, H. E. S L Malik, India's Ambassador to Vietnam, Mr Nguyen The Phiet, Vietnamese Acting Consul - General in Mumbai and Mr. F T Khorakiwala, President, IMC.

and it was for Indian businessmen to avail of this opportunity before it was too late. During the first eight months (April-November) of 1995-96, exports from India to Vietnam amounted to \$ 68 million (a rise of 122 per cent over the corresponding period last year) and imports from Vietnam totalled \$ 13 million (a fall of 71 per cent). India, as a result, had a trade surplus of \$ 55 million. So, both sides have to make serious efforts to promote exports from Vietnam to India.

In his theme presentation, Mr. Atul Bhagwati, President, Indo-

Vietnamese Chamber of Commerce & Industry, enumerated absence of direct and regular shipping lines and direct airlinks between India and Vietnam as major obstacles coming in the way of expanding Indo-Vietnamese economic relations. Mr. Bhagwati also suggested establishment of a bonded warehousing facility in Hai Phong in the north and Ho Chi Minh city in the south, so as to help Indian exporters to market their products in Vietnam. There is an urgent need for Vietnam to sponsor industry/product-specific business delegations to India to have

an in-depth study of the prospects for doing business with India, particularly in the areas of textiles, garments and pharmaceuticals. Such delegations should visit not only Delhi and Mumbai, but also important business centres such as Hyderabad, Pune, Vapi, Ahmedabad, etc., added Mr. Bhagwati.

Mr. N. K. Nayar, Managing Director, Concast (India) Ltd. and Member of the Managing Committee of IVCCI, proposed a vote of thanks.

## VIETNAM'S AUTO INDUSTRY : A FUTURE VISION

As for the oil and gas industry, the way to develop local auto-industry will be through joint ventures with foreign partners. The industry requires large amounts of investment capital and Vietnam does not have the experience or adequate technology to go it alone.

At present, Vietnam has a total of 11 licenced joint ventures specializing in automobile assembly and manufacturing.

The "world major auto - makers have each been to Vietnam and now have market shares here" said Mr. W. Wayne Booker, Ford International management Vice-Chairman in press conference held recently in Hanoi. Mercedes - Benz, proud of its outstanding quality and technical standards throughout Europe; toyota, with high technological level able to turn out cars famous for fuel economy as well as its global warranty and distribution system are all committed to the Vietnam auto industry. Even South Korea auto manufacturers are showing firm determination in race of this heavy competition. Vietnam is opening its door to welcome

worldwide automakers with a view to meeting the growing demand from the 70-million market. At present, Vietnam only has 3,13,000 automobiles, of which 31% are cars, 29.7% trucks and 12.4% buses.

Each year about 10% of the total automobile will be eliminated and replaced.

The automakers' strategy is to use the local low - cost work force to lower prices as well as seize greater market share in Asia, a market with quickest development speed in the world.

Only five years ago, for most Vietnamese the top - of - the - line automobiles were often Japanese (Nissan or Toyota) with an average engine size of 1800 - 2000 c.c. In the last two years, in large cities such as Hanoi, HCMC and Haiphong, people have become accustomed to more assorted brands. In September 1995 after reserving joint venture licences, American automakers Ford and Chrysler officially returned to Vietnam after 20 years of absence. The existing of 11 automakers is not final. According to some officials from

the Ministry of Communications and Transportation, four other renowned auto manufacturers are planning to invest in Vietnam including Volkswagen, BMW, Peugeot and Huyndai. Despite the still low purchasing power at present in Vietnam, most automakers entering the market are thinking long term and hope to extend their market to other Asian countries.

The real question is whether Vietnam will only become an auto - spare - parts manufacturer for the global system of auto corporations because of its low - cost workforce, instead of building up the local auto industry into an essential economic branch with turnover accounting for 7% of GDP, as set out in Vietnam's auto industry development strategy.

Reality shows that local laws are not firm and permanent, or make it easy for automakers. Limited local purchasing power is still a challenge to operational effectiveness of joint ventures. However, the winners to emerge from this severe competition and the future vision of local auto industry still remain a mystery.

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## FOREIGN AID TO VIETNAM INCREASES

According to UNDP, Foreign aid to Vietnam came in at US\$ 607 million in 1994, double that of 1993. The Increase was in loans from WB and IMF, whose interest in Vietnam was long absent, and has included growth of Vietnam's planning, distribution, management and use of ODA.

In 1995, aid will further increase

due to the large number of on - going infrastructure projects, and speeding up of capital loan grants.

In 1994, ODA invested in economic management occupied the largest rate (30% of the total) of US\$ 187 million. Funds invested in agriculture were US\$ 86 million (14%), public health care, education, and other social services

- US\$177 billion. Hanoi and HCMC received 49% of the aid, while support to the high - land and central areas reduced greatly.

The third international conference granting aid to Vietnam was held in Paris from 30th November to 1st December 1995.

## PRODUCTS EXPORTED TO VIETNAM

BRAND NAME	GENERIC NAME
CIFRODIS 500	- CIPROFLOXACIN
DIVOREL CR	- DICLOFENAC SODIUM
DIVOREL 50	- DICLOFENAC SODIUM BP
RECORIL	- IBUPROFEN BP, PENFERVEN IUM HYDROBROMIDE, PITOFENONE HCL
PRESET 10 R	- NIFEDIPINE BP
PRESET 20 R	- NIFEDIPINE BP
ASTE10	- ASTEMIZOLE
FLOXIN 400	- NORFLOXACIN
P-FLOX	- PEFLOXACIN
BECOVI FORTE	- VITAMIN B1, B6, B12
BECOVI FORTE SUPER	- VITAMIN B1, B6, B12
MEFID 250	- METRON IDAZOLE
CET 10	- CETRIZINE DI-HYDROCHLORIDE
RELICOLD CR	- PPSCl
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## FOREIGN DIRECT INVESTMENT IN VIETNAM

As at August 1995, the Vietnamese Minister of Planning and Investment (MPI) has licensed more than 1200 foreign invested projects with a total capital of about US \$ 18 billion for companies from more than 40 countries. Licensed foreign investment in Vietnam by country as at January 1996 are as follows :

Country	US \$ million
1. Taiwan	3,319
2. Hong Kong	2,154
3. Japan	2,081
4. Singapore	1,524
5. S. Korea	1,506
6. Australia	703
7. USA	1,141
8. Malaysia	854
9. France	638
10. BV Islands	514
11. Switzerland	584
12. Sweden	374
13. UK	477
14. Thailand	463
15. Holland	316
16. Others	1300

## INDIAN INVESTMENT IN SOUTHERN VIETNAM

M/S Nagarjuna International is currently building a sugar factory in Long --a province about 70 Kms from Ho Chi Minh City. Two more Indian companies are at advanced stages of negotiations for setting up sugar plants. ONGC was one of the First oil exploration companies to sign a production sharing contract with Petrovietnam in 1988. It is estimated that Indian projects worth US \$ 300 million are currently under negotiation.

Tremendous scope exists in Vietnam for Indian investment. Political leaders of Vietnam have reiterated several times the need for

close economic cooperation between the two countries. The following sectors hold promising returns for Indian investors :

- agro processing industries
- light and heavy electrical equipment/substation equipment / transmission lines
- organic / inorganic / agro chemicals.
- auto components / accessories.
- textile, cement, printing, medical, sugar, food-processing, leather machinery.
- manufacture of pharmaceutical formulation / bulk drugs, surgical equipment.
- gas / oil based down - stream products.
- railway (civil, mechanical & telecommunications)
- IT products.
- white goods
- consumer electronics.

## INDO - VIETNAMESE BILATERAL TRADE

The bilateral trade, averaging at about Rs. 250 crores per annum has not provided consistent trends in terms of product profile or value of the products. However, the statistics for the past three years now indicate an upward trend in Indian exports. The two-way trade reached its peak in 1989-90 with a record figure of US\$ 150 million, particularly due to heavy purchase of rice by the Government of India. There has been subsequent decline, followed by an increase during 1992-93 when the figures nearly doubled. In this, purchase of raw cashew from Vietnam accounts for more than 70 per cent share of our imports.

## INDIAN EXPORTS TO VIETNAM

Drugs, Pharmaceuticals & fine chemicals rank as the largest Indian export to Vietnam amounting to US \$ 26.07 million for the period April 95 - February 96, surpassing US \$ 6.1 million in 1993-94 and US \$ 21.88 million in 1994-95. During the period Aug 95 - April 96 it is estimated that Vietnam imported approximately US \$ 20 million worth of wheat flour from India. There has been a remarkable increase in Indian exports to Vietnam from US \$ 50.04 million in 1994-95 to US \$ 140 million (provisional) in 1995-96

## SCOPE FOR INDIAN EXPORTS

CVs & auto ancillary, plant & machinery, steel & steel products, heavy electrical equipment (transformers, transmission lines) & switch gears, pharmaceuticals, inorganic & organic chemicals, agro-chemicals, plastics & raw materials, dyestuffs & pigments, wheat flour, synthetic yarn, paper & paper products are some of the items that has tremendous scope for exports from India. Details of imports of some of these items by Vietnam have been compared with actual Indian exports on page 8.

Out of the 324 products that Vietnam imports from different countries, approximately 180 products could be supplied by India (which we are not doing), ie. 55% of the product groups/ commodities. As of 1996, we supply approximately 20 commodities / product groups or less than 10% of the entire product range imported by Vietnam, leaving an unexploited share of 35% which in turn translates into approximately US \$ 2 billion. In fact our share in the total imports of Vietnam for the

## INDIA'S PRINCIPAL EXPORTS TO VIETNAM

(US\$ MILLION)

	1993-94	1994-95	1995-96 (April 95-Feb. 96)
Tobacco	2.42	1.65	1.44
Oil Meals	1.10	2.10	14.88
Drugs, Pharmaceuticals & Fine Chemicals/	6.01	21.88	26.07
Inorganic / Organic Agro Chemicals	0.81	1.69	2.77
Rubber Manufactured Products	4.35	9.01	12.92
Plastic and Linoleum Products	0.03	1.99	1.34
Machinery & Instruments	3.26	9.06	9.96
Transport Equipment	1.16	2.40	5.58
Manmade Staple Fibre	--	1.62	0.44
Cotton Yarn, Fabrics, Madeups Etc.	1.27	1.95	3.39

year 1993 was US \$ 29.05 million or 0.74% of Vietnam's total imports of US \$ 3879 million.

### INDIAN TRADING FIRMS IN HO MINH CITY

In recent months HCMC and provinces surrounding Ho Chi Minh City have attracted a large number of Indian companies exploring the possibilities of trade and investment. About 20 Indian / NRI companies have already set-up their representative offices in HCMC. This includes **ITC Global Holdings Pte Ltd, J. F. Trading, Gemrusa Inc, Cimco Int, K. E. S. PVT Ltd, G. Doulatram & Sons, Zenaust Imports, Namita Industrial & trading Co, Thakral Brothers, Sungrace Mafatlal, Evergreen Global, Petro Pharma, PEC, Etc.** These Indian trading companies facilitate export of a variety of Indian non-traditional products like sugar machinery, rice machinery, pharmaceuticals, chemicals, pesticides, tyres, heavy electrical equipments, truck chassis, engineering goods.

### WORLD BANK / ADB PROJECTS IN VIETNAM

#### Historical

World Bank assistance to Vietnam was highly limited until 1993, because of the economic embargo placed on Vietnam as a fallout of the long drawn Vietnam war of the seventies. By end 1992 Vietnam had succeeded in restoring normal relations with Japan and EEC countries. Since then ODA has been flowing into Vietnam. In 1995 USA restored diplomatic relations with Vietnam as a result of which a number of US Corporations are vying for gaining entry into this lucrative and fertile market.

#### World bank / ADB Projects relevant to Indian Companies :

During the visit of James Wolfensohn, World Bank President to Vietnam in 10-11, May 1996, he offered US \$ 1.5 billion in soft loans over the next three years. He informed that project details have to be worked out, the finances would come from the Bank's concessional lending arm, IDA. He further indicated that if all of it were committed, Vietnam would become the second largest recipient of World Bank concessional fund after India. Some of the projects are as follows :

<b>WORLD BANK</b>		
SECTOR	AMOUNT (US \$ MILLION)	PROJECT DESCRIPTION
POWER	175	Dia Ninh Hydro Power.
TRANSPORT	150	Highway rehabilitation.
AGRICULTURE	80	Mekong Delta water resources development
HEALTH	101.2	supply of emergency medicines & equipments.
<b>ASIAN DEVELOPMENT BANK</b>		
FINANCE	150	consultancy for restructuring financial sector.
ENERGY	2.5	Hydro-carbons.

## INDIA'S EXPORTS TO VIETNAM (SECTORWISE) : 1994

(Million US\$)

Sr. No.	Item	Vietnam's total import	Indian exports to Vietnam	India's share in Vietnam's import (%)	India's global export	Vietnam's share in total Indian export (%)
1	Transport equipment	61	0.4	0.1	557	7.1
2.	Capital equipment (Plants & Machinery)	404	6.04	1.5	527	1.1
3.	Steel & steel products	216	Nil	Nil	316	Nil
4.	Pharmaceuticals	181	14.75	8.1	588	2.5
5.	Inorganic, organic & agrochemicals	58	1.07	18.4	226	0.5
6.	Plastics, LDPE, PVC, PP, Polystyrene, HDPE and DDP	182	1.20	0.6	328	0.4
7.	Dyestuff, pigments, ink, paint & raw material	27	0.16	0.6	356	
8.	Wheat flour	53	Nil	Nil	5	Nil
9.	Synthetic yarn	79	0.37	4.7	10	3.7
10.	Paper & paper products	41	0.005	0.1	101	

### WESTERN PACQUES ENTERS PACT FOR POWER PLANT IN VIETNAM

The Pune-based Western Pacques has entered into an agreement to set up a power plant in Ho Chi Minh City in Vietnam. The project is expected to cost \$70 million.

Western Pacques specialises in setting up power plants based on municipal solid waste. The company will buy 1,800 tonnes per day of municipal waste from the municipal corporation of Ho Chi Minh City and

generate 14 megawatts of electricity. The plant will also produce over 400 tonnes of organic manure per day. The project, conceived as a 30-year build-operate-transfer project, will enable the city authorities to handle almost a third of the 2,400 tonnes of solid waste produced per day. Details of a counter-guarantee from the Vietnamese government are currently being worked out. Although the company has not disclosed details of

the funding, it is believed that the project will be backed by the International Finance Corporation, Washington. The Gadgil Western group is expected to put up close to 26 per cent in the equity and a substantial part will be privately placed.

The company is currently negotiating with municipal corporations in a number of Asian cities including Hanoi.





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## FORTHCOMING EVENTS

**Quang Trung International Trade Fair (November 22-28, 1996) & Engineering Production and Machinery Fair (November 18-22, 1996)**

India Trade Promotion Organisation would be sponsoring Indian participation in the Quang Trung (QT) International Trade Fair in HCMC from November 22 - 28, 1996. In the past Indian participation was generally very useful in introducing Indian companies to Vietnam. A number of companies which participated in this fair particularly in the last two years have established a significant presence in this country.

There have, however, been companies which have not participated in the Quang Trung fair because they felt that this general trade fair would not attract the kind of specialized business visitors that they would be targeting. ITPO therefore, will be participating in an Engineering production machinery fair immediately before the QT fair - from November 18 to 22, 1996, organized by the Hannover Trade Fair Authority which organizes the world-famous Hannover Trade fair. The EPM fair is an annual feature and has a wide international participation including USA, West Europe, Australia, South East Asian countries and Japan. EPM covers the entire range of industrial machinery, equipment and products. In view of the image problem of Indian products in Vietnam, it would be useful for Indian companies to participate side by side with companies of advanced countries in a fair like EPM.

**Can Tho Agricultural Fair : (December 7-14, 1996)**

Vietnam has primarily been an agricultural economy. The Red River basin in the north and the Mekong Delta in the south are the major agricultural regions. The main agricultural produce includes rice, jute, rubber, sugarcane, coffee, tea, groundnut, tobacco, etc. Currently, Vietnam is the second largest exporter of rice in the world.

Pesticides, herbicides and other agro-chemicals, agricultural equipment, tractors, veterinary medicines, food processing, bran oil extraction, manufacture of animal feed are some of the areas that are promising for Indian manufacturers / exporters to focus attention. Already a few Indian companies are exporting soyabean meals, wheat bran and agro-chemicals to Vietnam. However, it is felt that the Indian companies have not fully exploited the potential that exists in these areas. As pointed out already, one of the best way to introduce Indian agro-product / agricultural implements into Vietnam is by participating in an agricultural fair. Agricultural Fair in Can Tho Province of the Mekong Delta is one of the major shows that attracts participation from major European and Asia-Pacific countries. This Fair is to be held from December 7-14, 1996.

**Trade Fair of Cooperatives & SMEs in Ho Chi Minh City. (November 10-16, 1996)**

A Company belonging to The Central Council for Cooperatives Union Small and Medium-Sized Non State Enterprises (VICOOPSME) (authorized to conduct activities in the field of exhibition, trade fair, advertising, business and investment service) organizes annually on the occasion of Vietnam National Day (September 2) the International Trade Fair of Cooperatives and Small-Medium Sized Enterprises, since 1995.

The second International exposition of Small and Medium Sized Enterprises (SMEINTEREXPO - 2) is to be held in Ho Chi Minh City between November 10 and 16, 1996

Indian manufacturers / exporters, who are interested in participating these fairs, can contract

**Executive Secretary  
Indo-Vietnamese Chamber of  
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### Ho Chi Minh City Distribution, Rehabilitation & Expansion Project

The Government of Vietnam has received a credit from the International Development Association of US \$ 165 million. It is intended that about \$ 45 million of the proceeds of this credit will be applied to eligible payments under the contracts for supply of electric equipment for this project for which the invitation for bids is issued.

The bid has been classified into seven lots. The documents would be on sale from 4-9-1996 onwards and should be submitted by November 12, 1996. The cost of complete set of bidding document is US \$ 200.

Those interested in purchase of documents may effect a bank transfer of US \$ 260 (including courier and bank charges) to the

US \$ account NO. 362.411.37.7.0982 of the Consulate General with Vietcombank, 29, Ben Chuong Duong Street, District 1, Ho Chi Minh City, Vietnam.

For further details, contact :  
**Executive Secretary**, Indo-Vietnamese Chamber of Commerce & Industry, C/o, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai 400 020. (Tel 204 66 33 Tlx. : 85195 Fax : 204 85 08).

## Vietnam plans 'mini-city' on Hanoi outskirts

According to the official Vietnam News Agency (VNA), Vietnam is planning to build a 'mini-city' on the outskirts of Hanoi as an international centre for business and cultural exchange. Described as a "meeting place for

Vietnam and the rest of the world", the complex will be constructed at Co Nhue village between the capital and its international airport. The urban complex, whose initial phase will cost \$ 125 million, will be built by a joint venture between

Vietnam's VTC Building Company and a firm called City of Exchanges Company from Switzerland. Total investment is expected to rise to \$ 600 million.

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