



# INDIA

**Patrick O. Santillo**  
**Senior Commercial Officer**  
**U.S. Commercial Service**

**Asia-Pacific Business**  
**Outlook Conference**  
**March 26-28, 2017**



**U.S.**  
**COMMERCIAL**  
**SERVICE**  
*United States of America*  
*Department of Commerce*

# INDIA AT A GLANCE

- 1/3rd size of U.S., 3 times the population
- 1.3 billion people
- Largest youth population in world
- 31% people live in urban areas
- 29 states and 7 Union Territories



# EASE OF DOING BUSINESS – STATE RANKING



## Ease of Doing Business state ranking

RANK 2016	STATE	SCORE (%)	RANK 2015	STATE CAPITALS
1	ANDHRA PRADESH	98.78	2	Hyderabad
1	TELANGANA	98.78	13	Hyderabad
3	GUJARAT	98.21	1	Gandhinagar
4	CHHATTISGARH	97.32	4	Raipur
5	MADHYA PRADESH	97.01	5	Bhopal
6	HARYANA	96.95	14	Chandigarh
7	JHARKHAND	96.57	3	Ranchi
8	RAJASTHAN	96.43	6	Jaipur
9	UTTARAKHAND	96.13	23	Dehradun
10	MAHARASHTRA	92.86	8	Mumbai

Source: pib.nic.in



**U.S.  
COMMERCIAL  
SERVICE**

United States of America  
Department of Commerce

# U.S. COMMERCIAL SERVICE IN INDIA

- 7 offices through out India.
- Work with local business associations at 12 'American Business Corners'.
- In DC, ITA team who cover India in the Office of South Asia





# ECONOMIC FACTS



Private savings equals 34% of GDP



3<sup>rd</sup> largest economy PPP GDP – USD 7.36 trillion



7<sup>th</sup> largest economy by nominal GDP - USD 2.18 trillion



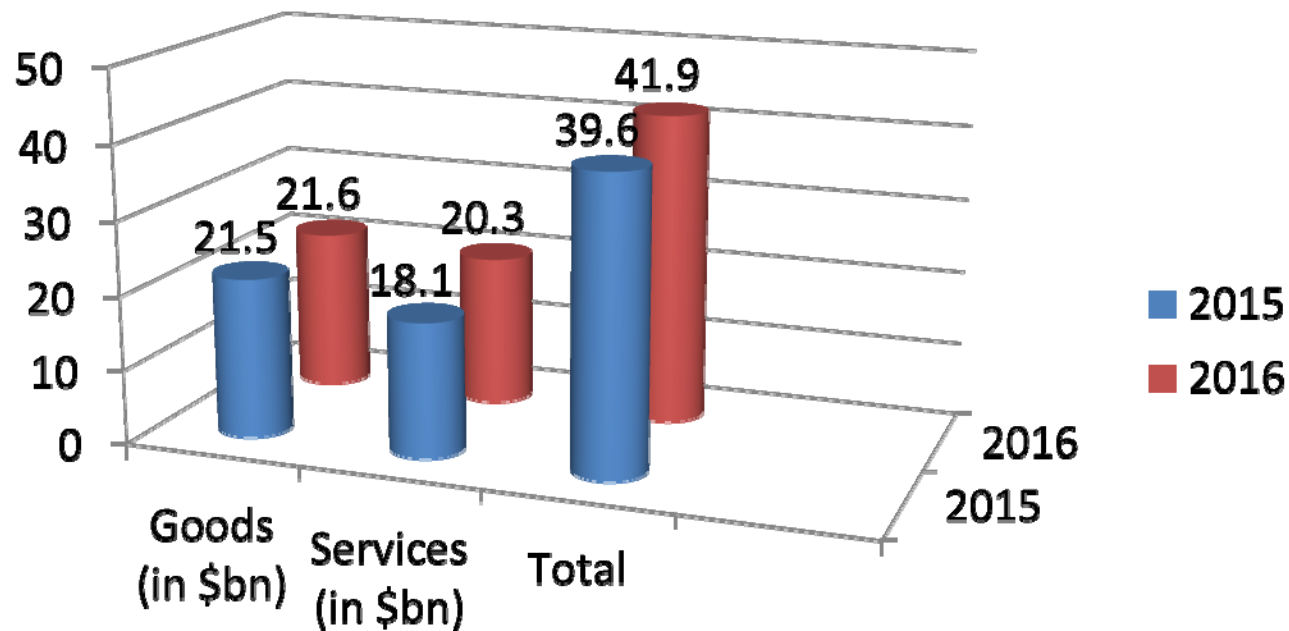
Private Consumption 62% of GDP (39% in China)



# U.S.- INDIA TRADE

U.S. goods and private services trade with India totaled \$114b (2016)

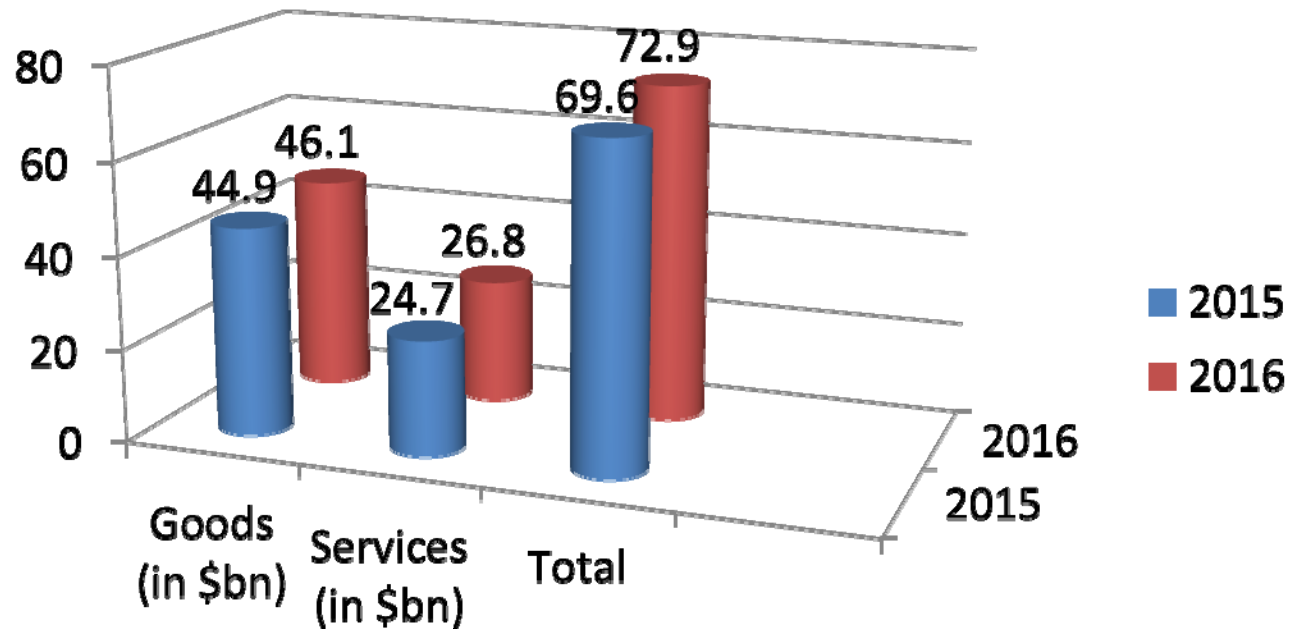
## U.S. Exports to India



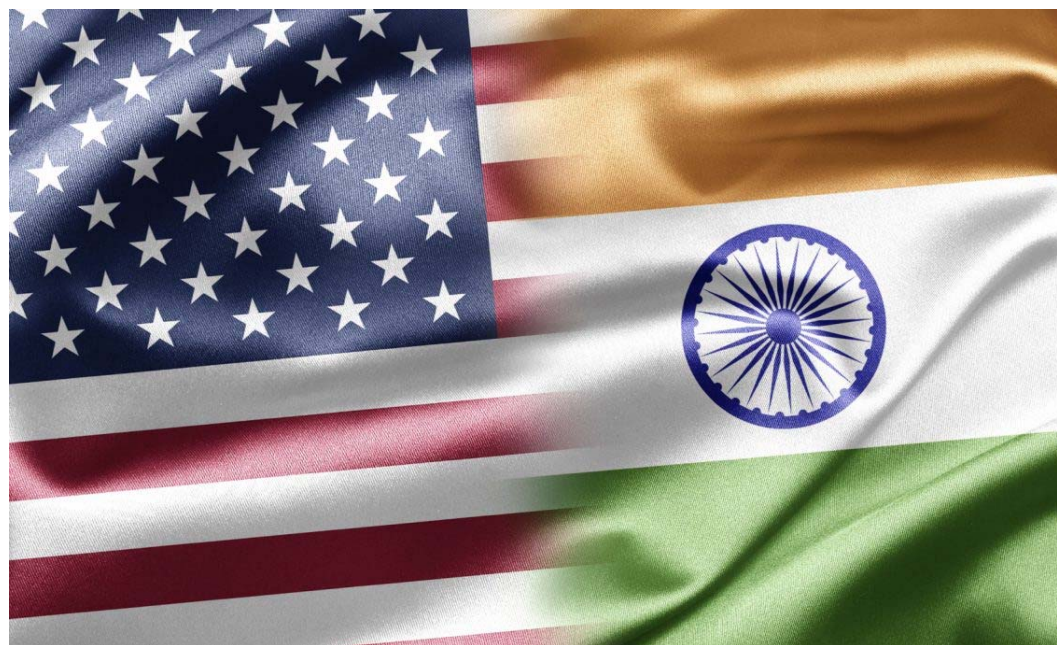
# U.S.- INDIA TRADE

U.S. goods and private services trade with India totaled **\$114b** (2016)

### India Exports to U.S.



# WHAT'S NEXT?



Bilateral engagement continues to be strong

Cautious optimism by the private sector, but words need to translate to actions

U.S.-India Strategic and Commercial Dialogue





# PRIORITY SECTORS



## ENERGY

- Revised its renewable energy targets in 2015 to reach up to 175,000 MW by 2022
- Require investments of over \$160 billion to reach this target



## ENVIRONMENT TECHNOLOGY

- Environmental technology market valued at \$16.3 billion, growing 16%/year
- Government projects focused on smart cities and clean rivers creating opportunity



## EDUCATION

- In FY 2015-16, the education market was worth about \$100 billion. Expected to reach \$116.4 billion in FY 2016-17.
- U.S. higher education institutions can help India address the capacity and quality challenges facing higher education in India.

# PRIORITY SECTORS



## **TOURISM**

- Over 1 Million Indians visited the U.S. in 2015, spending \$11.8 billion
- Focus to encourage more MICE (Meetings, Incentives, Conventions and Exhibitions) Travel
- Largest total export category to India. Active travel and tourism promotion program in partnership with BrandUSA.



## **DEFENSE & AVIATION**

- Defense - India is 9th largest military spender in the world. Top opportunities include high technology military hardware, drones, precision weapons, radars, guns, sensors and aircraft.
- Aviation - India's \$16 billion aviation market is currently 9th largest in the world and is expected to be the 3rd largest by 2020. Top opportunities include airport development and planning, air navigation services, information communications technologies, and air safety and security technologies and equipment

# GROWTH SECTORS



## FINANCIAL TECHNOLOGIES & E-COMMERCE

- Fintech/Digital Payments – significant opportunities with Government of India’s “Digital India” and “Financial Inclusion” initiatives, combined with recent Demonetization.
- U.S. is among the top 10 countries for digital cross border shopping by Indian consumers due to rising income levels, increased awareness and growth of smart phone users.



## HEALTHCARE

- Healthcare market - \$ 280 bn by 2020
- 74% of Indian healthcare market spending is private compared to 47% in the USA.
- Medical/Healthcare Executive Service Mission to India: September 11-15, 2017 (tentatively scheduled)

# CHALLENGES AND REFORMS



## CHALLENGES

- Bureaucracy & Red Tape
- Corruption
- Service Barriers (FDI Caps)
- Domestic Content Requirement/ Forced Localization
- Onerous Government Tenders
- Selection of Local Partners



## REFORMS

- Goods & Services Tax
- eBiz Portal
- Insolvency and Bankruptcy Code 2016
- National IPR Policy 2016
- Industrial License Validity
- Trading across Borders
- Indian Trade Portal



THANK YOU

[www.export.gov/india](http://www.export.gov/india)



[@USCSIndia](https://twitter.com/USCSIndia)



*Connecting You to Global Markets*

