



India

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ECONOMIC FACTS

3rd largest
economy
PPP GDP –
USD 7.27
trillion



8th largest
economy by
nominal
GDP - USD
2.14 trillion



Private savings
equals 34% of
GDP (second to
China)



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



THE CONSUMER STORY



Young adults living at home with higher levels of disposable income than their U.S. peers

Explosive growth in the formal retail sector



Strong demand outside major cities

Name-brand recognition, sophisticated preferences and potential for luxury brands



U.S. - INDIA TRADE

U.S. goods and private services trade with India totaled \$96.7b (2013)

2013

The United States is India's:

3rd largest trading partner, behind China and U.A.E.

India is the United States':

**11th largest goods trading partner with
\$63.7b in total (two ways) goods trade**

10th largest importer of goods

18th largest goods export market in 2013

NEW GOVERNMENT - NEW INITIATIVES

**MAKE IN
INDIA**



**SWACCH
BHARAT**



**DIGITAL
INDIA**



U.S.-INDIA WAY FORWARD

Bilateral engagement has never been stronger

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



GROWTH SECTORS

INFRASTRUCTURE

Spending of more than \$1 trillion on Infrastructure

The sector is expected to grow 35% by 2015

Mega infra-structure project of USD 90 billion to build new Cities & Industrial establishments along Delhi-Mumbai Corridor

Proposed High speed rail system to connect Tier 1-2 cities

US-India Infrastructure Collaboration Program includes Smart City Initiative

RENEWABLE ENERGY

India plans to enhance the share of renewable energy in its total energy mix up to 15% in the next seven years

Revised its renewable energy targets from 20,000 MW to 175,000 MW by 2022:

175,000 MW comprises of 100,000 MW from Solar, 60,000 MW from Wind, 10,000 MW from Biomass, and 5,000 MW from Small Hydro

To acquire this target India would require investments of approximately \$40 billion

GROWTH SECTORS

EDUCATION

Indian education market estimated at potential value of \$28 billion

The Government of India (GOI) aims to increase gross enrollment ratio in higher education to 30% by 2020

India has a severe shortage of higher education institutions for its booming population -- more than 30% of its 1.1 billion people are less than 14 years

100% FDI is allowed in the education sector

TOURISM

Over 800,000 Indians visited the U.S. in 2013

Spending by Indian travelers estimated over \$5.5 billion in 2013

Visit USA Committee and Brand USA's focus is to bring one million tourists from India to the U.S. by 2015

Focus to encourage more MICE (Meetings, Incentives, Conventions and Exhibitions) Travel

As a direct result of our MICE focus since May 2013, U.S. mission in India has facilitated travel for over 1,100 MICE travelers who have spent nearly \$7 million

GROWTH SECTORS

AEROSPACE & DEFENSE

9th biggest Aviation market and is expected to become the 3rd largest by 2020

Presence of major U.S aviation and defense firms in India

G2G engagements: Aviation Cooperation Program to promote Aviation standards in Safety and Security and Defense Trade & Technology Initiative (DTTI)

Foreign Military Sales (FMS) sales to India account of over \$7 billion

Significant Direct Commercial Sales in Defense

HEALTHCARE

Healthcare market - \$77 billion

Pharmaceutical market - \$17 billion,
Medical Device market - \$3.2 billion,
Biotech market - \$3.2 billion,
Diagnostics market - \$2.4 billion

74% of Indian healthcare market spending is private compared to 47% in the USA. Only 3.5% of Indians enjoy any kind of health insurance

Medical/Healthcare Executive Service Mission to India: July 27 – August 1, 2015

CHALLENGES



Bureaucracy & Red
Tape

Sluggish Judiciary

Corruption

Domestic Content
Requirement/
Forced Localization



Lack of Basic
Infrastructure

Expensive Credit/
Access to Finance

High Inflation

Intellectual Property



Onerous
Government
Tenders

Selection of Local
Partner

Varied Tax Structure

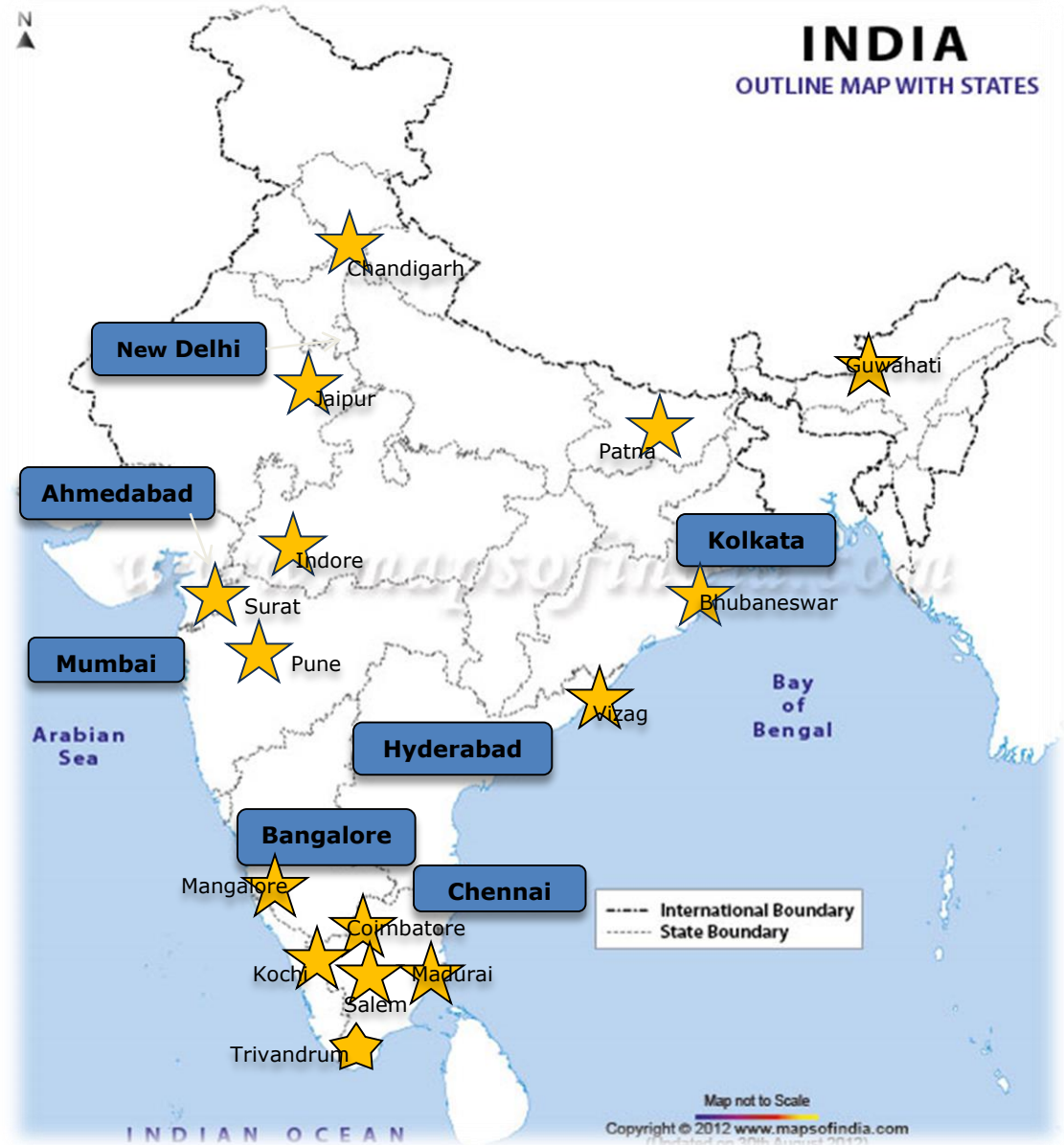
Service Barriers (FDI
Caps)

U.S. COMMERCIAL SERVICE IN INDIA

U.S Commercial Service has 7 offices through out India.

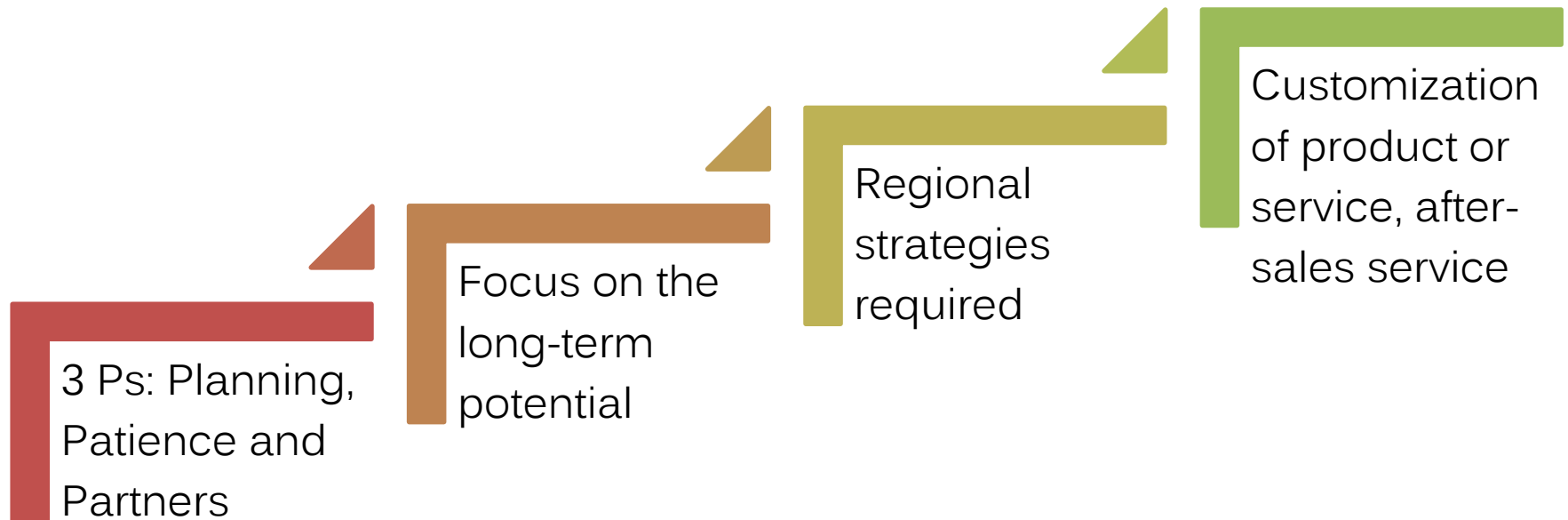
U.S Commercial Service also works in tandem with local business associations at 15 'American Business Corners'.

In DC, ITA has a team of trade professionals who cover India in the Office of South Asia/



THE SUCCESS MANTRA

- Contact U.S. Commercial Service
- Identify key local partners or master distributor
- Business opportunities in 2nd and 3rd tier cities
- Address after-sales service a key issue for U.S. companies



YOU CAN SUCCEED IN INDIA!

solar power
refrigerator
installed in a rural
store



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