

Export Opportunities in India

In 2017, India ranked 15th among U.S. export destinations and 13th among Virginia export destinations. Some of the top opportunities for U.S. exporters in India include:

- Defense
- Environment and Water
- Franchising
- Healthcare
- Mining and Mineral Processing Equipment
- Supply Chain/Logistics
- Energy
- Travel and Tourism

Map of India



(U.S. Central Intelligence Agency)

Top Virginia Exports to India

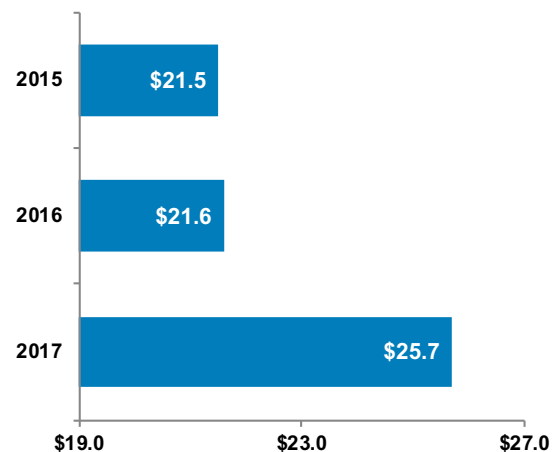
Export Category	2017 Value	Change 2017/2016
All Commodity Chapters	\$269.6	3%
Mineral Fuels & Oils	\$63.0	78%
Plastics	\$32.2	1%
Wood Pulp	\$23.9	10%
Electrical Machinery	\$21.6	-16%
Industrial Machinery	\$21.3	80%
Tanning/Dyeing Extracts	\$13.4	115%
Iron & Steel	\$12.6	6%
Aluminum	\$9.3	11%
Paper & Paperboard	\$9.0	69%
Chemical Products	\$7.4	57%

(World Trade Atlas)

In US\$ Millions

U.S. Exports to India

In US\$ Billions



(World Trade Atlas)

Opportunities in India for Exporters

Defense

India boasts the third largest armed forces and is the fourth largest defense spender worldwide. This year's capital expenditure budget is \$12.72 billion higher than last year. Thus, U.S. exporters can anticipate significant opportunities across all defense sub-sectors. Indian companies are enthusiastic about joint ventures with U.S. firms and licensing for foreign OEMs was simplified in 2016.

Top opportunities include:

- Field artillery modernization
- Fast patrol craft and submarines
- UAVs and helicopters
- Maintenance, repair, and operations

Healthcare

The Indian healthcare industry grew to \$110 billion in 2016 and is expected to reach \$280 billion by 2020. Dominated by private players, the industry is rapidly developing, fueled by large investments from existing corporate hospital chains and new entrants. This growth will be driven by healthcare facilities, private-public projects, medical diagnostic and pathological laboratories, and the health insurance sector. In addition, changing demographics and disease profiles has led to increased spending on healthcare delivery.

Top opportunities include:

- Medical Infrastructure
- Medical and surgical instruments
- Orthopedic and prosthetic appliances

Energy

India is a fast growing economy with substantial energy needs to power its future industrial expansion. India has the fifth largest power generation capacity in the world. In 2017, installed power generation capacity was 320 GW and coverage was 200 million consumers (almost 800 million people) across a 3.28 million square kilometer territory. Indian power generation capacity has been growing at 8-10% per year over the last two decades.

Top opportunities for U.S. exports include:

- Transmission, distribution and smart grids
- Green buildings
- Hydropower

Franchising

Franchising as a concept has been prevalent in India for a long time. According to a recent KPMG and Franchise Association of India (FAI) report, the Indian Franchise Industry has a potential to grow to \$51 billion in the next 3-5 years from the present \$13.4 billion. The franchise industry is expected to contribute almost 4% of India's GDP.

Top prospects include:

- Education and training
- Food and beverage
- Health, beauty, and wellness services
- Retail sector

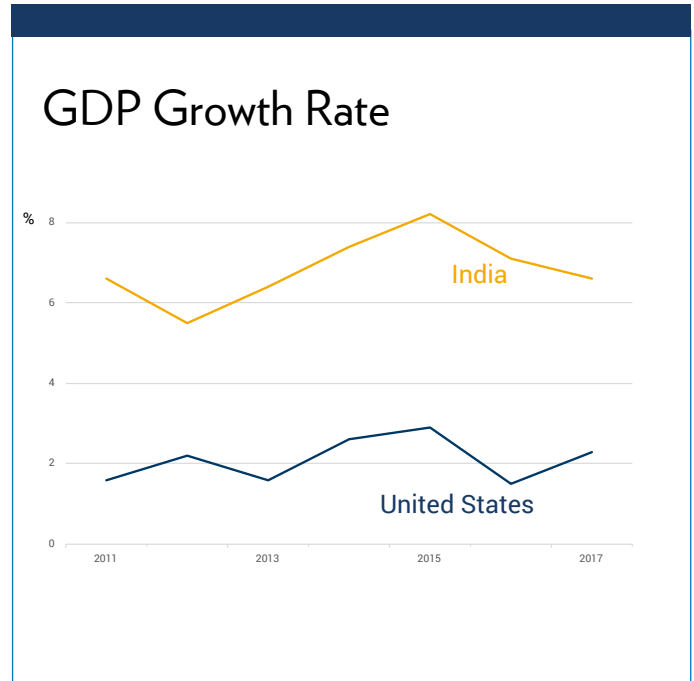
(US Commercial Service)

Economic Overview

India's diverse economy encompasses traditional village farming, modern agriculture, handicrafts, a wide range of modern industries, and a multitude of services. Slightly less than half of the work force is in agriculture, but services are the major source of economic growth, accounting for nearly two-thirds of India's output but employing less than one-third of its labor force. India has capitalized on its large educated English-speaking population to become a major exporter of information technology services, business outsourcing services, and software workers.

While government owned banks have accumulated debt and government subsidies are poorly targeted, India is developing into an open-market economy. The outlook for India's long-term growth is moderately positive due to a young population and corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy.

(CIA World Factbook)



Cultural Guide

- Business cards are exchanged after the initial handshake and greeting. If you have a university degree or any honor, put it on your business card. Use the right hand to give and receive business cards.
- Indians revere titles such as Professor, Doctor and Engineer. Age, university degree, caste, and profession determine status. If someone does not have a professional title, use the honorific title "Sir" or "Madam".
- The best time for a meeting is late morning or early afternoon. Reconfirm your meeting the week before and call again that morning, since it is common for meetings to be cancelled at the last minute.
- Always send a detailed agenda in advance. Send back-up materials and charts and other data as well. This allows everyone to review and become comfortable with the material prior to the meeting. Follow up a meeting with an overview of what was discussed and the next steps.

(Kwintessential)

Hindi is the official language of India, however different states have different official languages.

- Never appear overly legalistic during negotiations. In general, Indians do not trust the legal system and someone's word is sufficient to reach an agreement.
- If you lose your temper you lose face and prove you are unworthy of respect and trust.

Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website: ExportVirginia.org

Additional Resources

[India Overview](#)

Global Edge - Michigan State University

[National Portal of India](#)

Government of India

[U.S.-India Chamber of Commerce](#)

U.S.-India Chamber of Commerce

[U.S. India Business Council](#)

U.S. Chamber of Commerce

[Kwintessential India](#)

Kwintessential Guide to India

[India Country Commercial Guide](#)

U.S. Commercial Service

[Ease of Doing Business Report](#)

World Bank

[Doing Business in India](#)

United Kingdom Trade & Investment

Last Revised: June 13, 2018

Information provided by VEDP Fast Facts is intended as advice and guidance only. The information is in no way exhaustive and the VEDP is not a licensed broker, banker, shipper or customs agency. VEDP shall not be liable for any damages or costs of any type arising out of, or in any way connected with the use of, these Fast Facts.