

The background of the slide features a large, stylized maple leaf on the left side, with a white and red checkerboard pattern on its right edge. To the right of the leaf is a dark blue world map. The text is centered over a white background that is partially obscured by the leaf and map.

# **Overview of the Indian Economy and Related Opportunities**

**by**

**Marvin Hildebrand**

**Consul General of Canada in Mumbai**



*“Our Problem is Scale.*

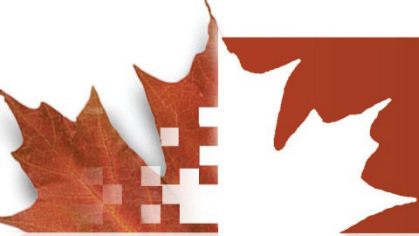
*Our problem is feeding and educating a billion people.*

*You have to go to the rural areas to see what it is like”*

*Rajdeep Sahrawat, Vice-President*

*National Association of Software and Service Companies*

# India and Canada: A Snapshot



| India                     |            | Canada                    |
|---------------------------|------------|---------------------------|
| 3,287,263 km <sup>2</sup> | Size       | 9,984,670 km <sup>2</sup> |
| 1.2 Billion               | Population | 34.2 million              |
| \$1,584.01                | GDP (2010) | \$1,621.50                |
| \$1,302.71                | GDP/capita | \$47,540.00               |

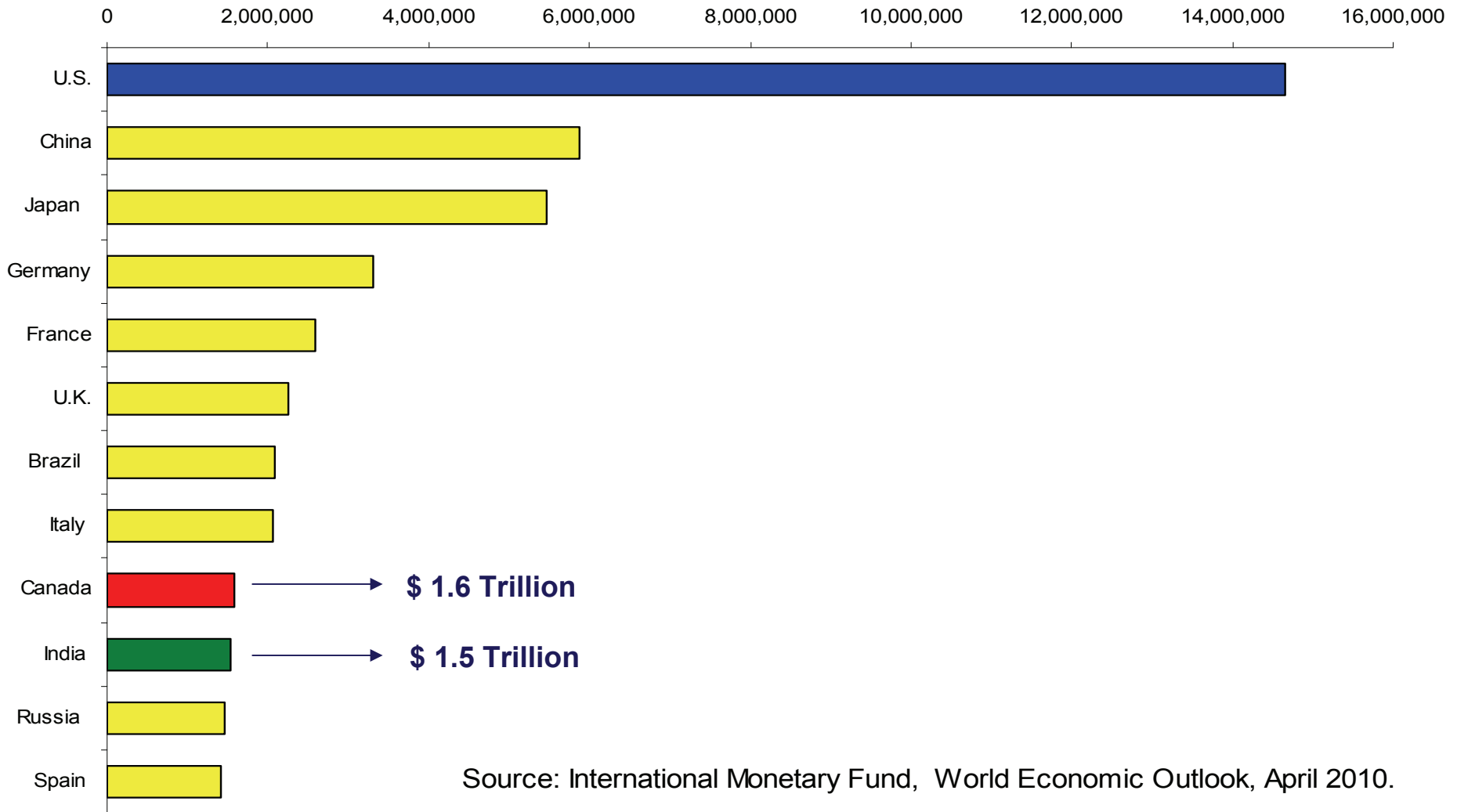


# What we have in Common

- **Commonwealth**
- **Democratic traditions**
- **Westminster systems of government**
- **Diversity**
- **People links**

# India and Canada....We're both among the top dozen economies in the world

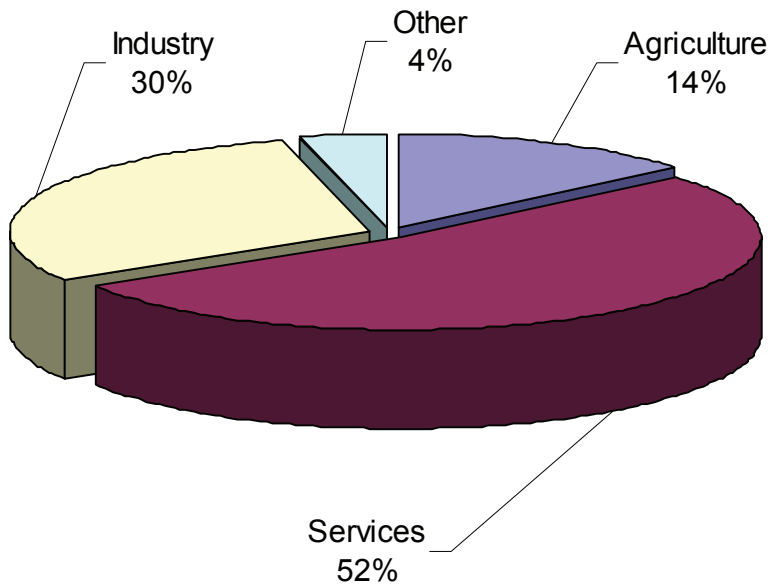
GDP - Top 12 Countries (2010)



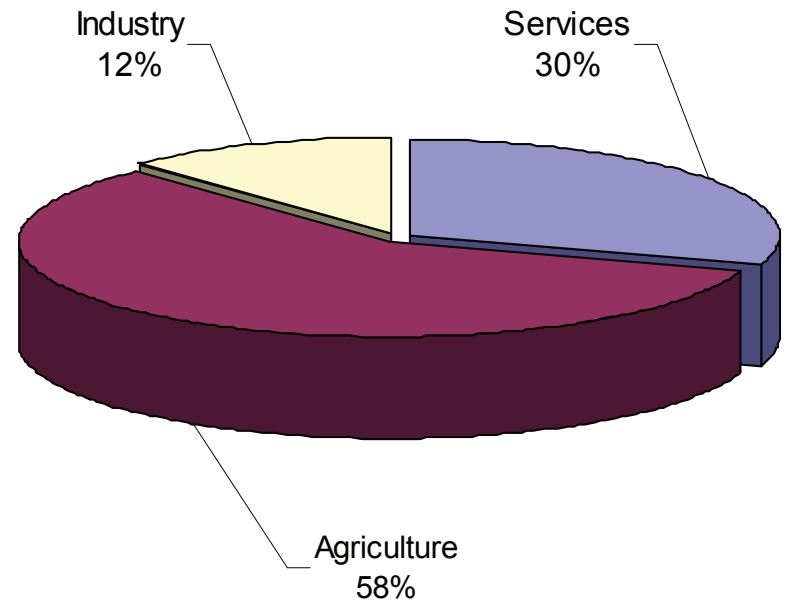
Source: International Monetary Fund, World Economic Outlook, April 2010.

# Indian Economy

## Sectoral Composition of GDP (2010-2011)



## Principal Source of Work/Income Security in India





# Some enduring issues for India

- Monsoon
- Interest Rates
- Inflation
- Oil Prices
- Global Economy



# Some other considerations for India

- **Inclusive Growth**
- **Foreign Direct Investment Policy**
- **Governance, Delays**
- **Infrastructure Needs**
- **Scale (a.k.a. opportunity)**



## Scale in India means...

- World's largest producer of milk, and second-largest producer of wheat and rice
- 6,600 companies on the Bombay Stock Exchange
- World's second-largest pharmaceutical industry after China
- World's second-largest small car market
- World's second-largest group of software developers
- 100 Fortune 500 R & D facilities
- Super computer manufacturer
- Satellite launches



# Canada's Strategy for India

- Bilateral trade of \$15 billion by 2015
- Increased investment flows, focusing on Infrastructure, ICT, CleanTech, Automotive, Life Sciences, and Financial Services
- Canada an increasingly attractive trading partner
- Canada an S&T / innovation partner
- Focus on Higher Education and Institutional Collaboration
- Build the “Canada Brand”

# Bilateral Commerce (2010)

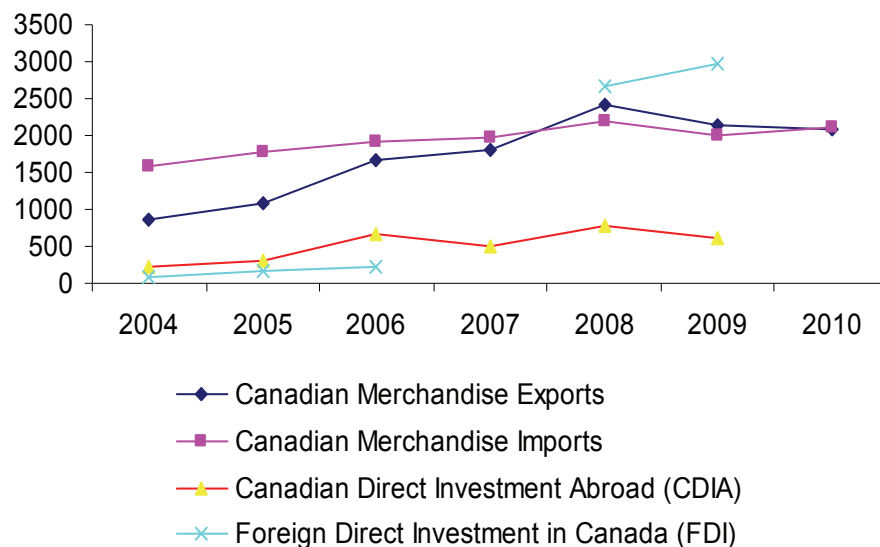
- **Merchandise exports to India:  
\$ 2.1 Billion**

Major exports: Pulses, Fertilizer, Paper and paperboard, Machinery, Wood and Pulp

- **Merchandise imports from  
India: \$ 2.1 Billion**

Major imports: Organic chemicals, Precious stones and metals, Knit and apparel, woven apparel, machinery

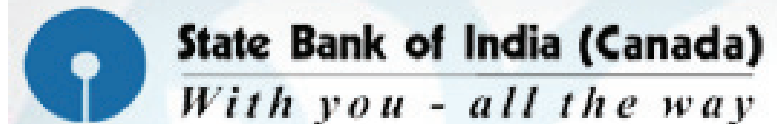
- **Canadian Investment in India: \$ 492 Million**
- **Indian Investment in Canada: \$ 6.5 Billion**



# Major CDIA in India



# Major FDI from India in Canada





# Trade Policy Agenda

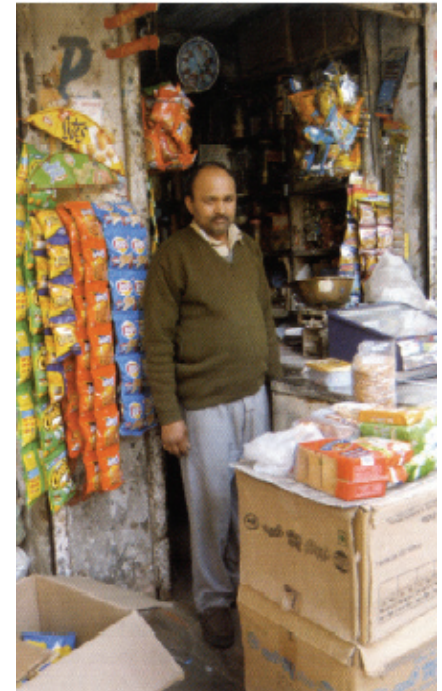
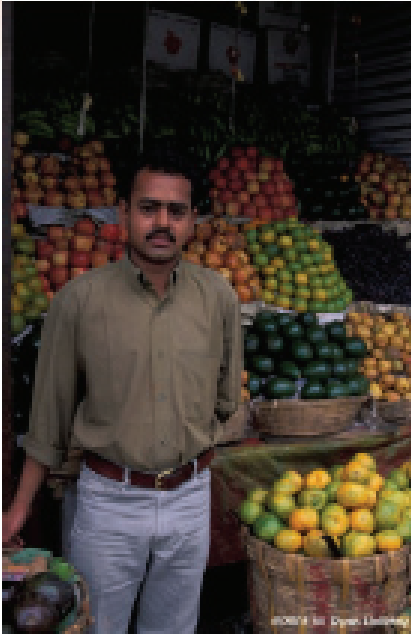
- Comprehensive Economic Partnership Agreement (CEPA)
- Foreign Investment Promotion and Protection Agreement (FIPA)
- Nuclear Cooperation Agreement
- Sector Specific MoUs
  - Mining
  - Agriculture
  - Higher Education
  - S&T Agreement



# Priority Sectors in India

| <b>National Proactive Sectors</b>  | <b>Regional Proactive Sectors</b>   |
|--|---|
| <ul style="list-style-type: none"><li>▪ Cleantech</li><li>▪ Education</li><li>▪ ICT</li><li>▪ Infrastructure</li></ul> | <ul style="list-style-type: none"><li>▪ Agriculture</li><li>▪ Aerospace</li><li>▪ Automotive</li><li>▪ Defense &amp; Security</li><li>▪ Extractive Industries (Mining and Oil &amp; Gas)</li><li>▪ Financial Services</li><li>▪ Life Sciences</li></ul> |

# Agriculture and Agrifood – Market Snapshot





# Agriculture and Agrifood – Opportunities

## ■ Exports

- Agri-food products
- Genetics, fertilizer
- India-priced equipment (e.g. production, handling, sorting, grading)

## ■ Investment

- Food processing
- End-to-end cold chains

## ■ Technology Transfer and Capacity Building

- Farm management
- Food processing
- Grain handling



# Life Sciences – Market Snapshot

- World's second-largest pharmaceutical producer
- Large, fragmented pharmaceutical industry, focused on generic drugs but increasingly looking at R&D
- Growing biotech market (\$3 billion in 2009)
- \$40 billion healthcare industry and increasing number of private hospitals
- Growth propelled by growing “consuming class”, willing to pay for private healthcare



# Life Sciences – Opportunities

- Significant R&D opportunities both in Canada and India
  - drug development
  - clinical trials
  - contract research
- Medical devices and equipment for private hospitals



# CleanTech – Market Snapshot

## Renewable Energy

- Wind, biomass, and solar represent 8% of power supply
- Installed capacity of 16,000 MW -- primarily wind
- Provides solutions for small-scale rural electrification

## Environmental Technologies

- Insufficient water and waste water management systems throughout the country
- Inadequate solid waste management systems
- Growing demand for solutions from petrochemical and pharmaceutical industries in particular



# CleanTech – Opportunities

- Increasing awareness of need for innovative and efficient high-technologies solutions for infrastructure development
- Huge growth potential for renewable energy, including for rural electrification:
  - Wind power
  - Small hydro
  - Biomass/co-generation power
  - Solar (including home solutions)
- Water, waste water and solid waste management solutions
- Government investing in research and capacity building



# Information Communication Technologies – Market Snapshot

- World's second-largest and fastest-growing telecom market
- About 700 million subscribers and 13 mobile operators
- Half of the world's back office services
- BPO and software sub-sectors employ over 2.3 million directly and 8.2 million indirectly, with revenues of US \$73 billion in FY2010
- Animation and gaming industries growing rapidly (estimated revenues of \$1.8 billion by 2012)



# Information Communication Technologies - Opportunities

- Government commitment to increase telecom infrastructure
- e-governance, e-learning and e-health projects
- Mobile media content, entertainment software, gaming
- Security solutions, network tools
- Geomatics
- Pre and post-production work in animation



# Tips For Doing Business

- Strategic planning, due diligence, consistent follow-up, patience and commitment
- Factor in differing regional opportunities, standards, languages, cultural differences, and levels of economic development
- Protect your company's intellectual property rights
- Take time to select the right entry strategy – choosing the right partner is critical to success
- India is a mature market with significant domestic and international competition - visit often and send senior people when possible
- Don't underestimate your Indian competitors



# The Canadian Trade Commissioner Service (TCS)

**Canada's most comprehensive network of  
international trade professionals**

## **Located in**

- More than 150 cities worldwide,
- 18 offices across Canada.
- 8 offices in India

## **The TCS promotes Canada's economic interests in the global marketplace**

The TCS facilitates

- Foreign-market access
- Trade leads
- Exports
- Business contacts
- Events
- Technology transfer
- Licensing agreements
- Joint-venture development
- Investment in Canada
- Four Key Services

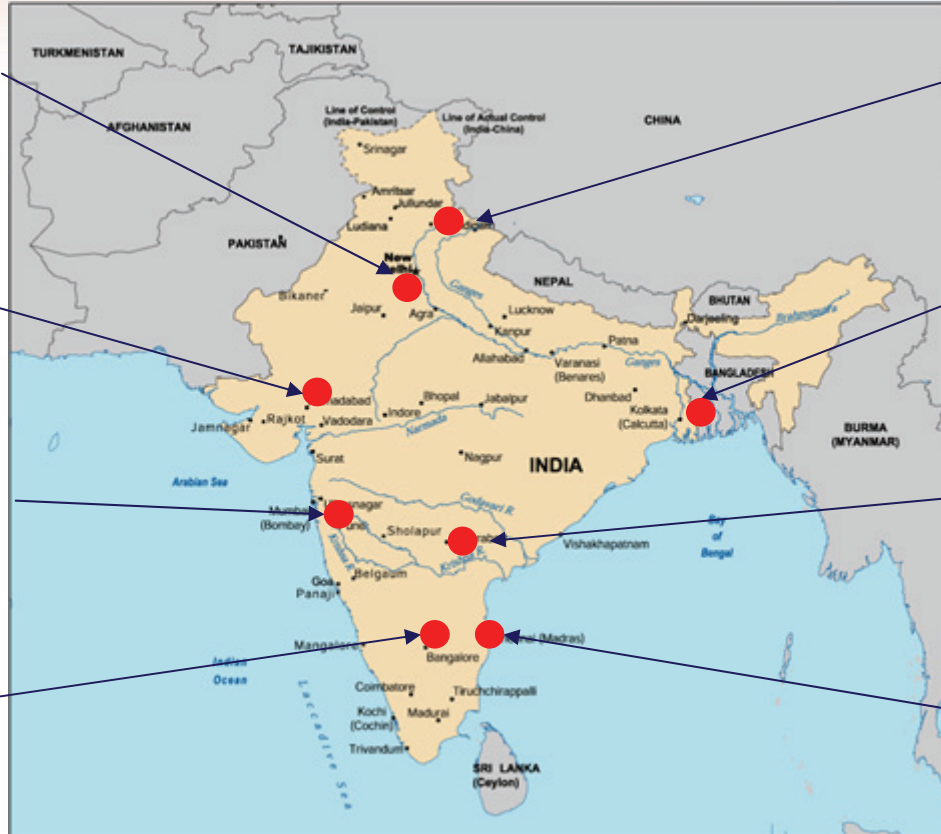
# Our offices in India

**High Commission**  
New Delhi

**Trade Office**  
Ahmedabad

**Consulate General**  
Mumbai

**Trade Office**  
Bangalore



**Consulate General**  
Chandigarh

**Trade Office**  
Kolkata

**Trade Office**  
Hyderabad

**Consulate**  
Chennai



# Meet Our Team

Mr. Nicolas Lepage  
**Consul & Senior Trade Commissioner**

Ms. Erin Hunt  
**Vice-Consul & Trade Commissioner**

Mr. Sachin Balpande  
**Trade Commissioner  
(Information Communications Technology &  
Extractive Industries)**

Mr. Kishor Mundargi  
**Trade Commissioner  
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Ms. Yasmine Dubash  
**Trade Commissioner  
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Mr. Varun Anthony  
**Trade Commissioner Assistant  
(Agriculture and Agri-food)**

Ms. Elaine D'Souza  
**Trade Commissioner Assistant  
(Life-Sciences)**

Ms. Jeena George  
**Trade Commissioner Assistant – Ahmedabad  
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Mrs. Dilnavaz Dalal  
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# The Saskatchewan Team

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**Canada in India**