



## INDIA

### Capital:

New Delhi

### Population: (2008 est.)

India: 1.14 billion

Virginia: 7.7 million

### Type of Government:

Federal Republic with parliamentary system of government

**President:** Pratibha Devisingh Patil

**Prime Minister:** Manmohan Singh

### Languages (Official):

Hindi  
English is common and is the standard business language.

### Currency:

[www.oanda.com](http://www.oanda.com)  
India Rupee (INR)

1 US\$ = 47.74 INR (May 2009)

### Land Size:

1,147,955 square miles

(Roughly 1/3 the size of the U.S.)



(India Map. University of Texas)

## DID YOU KNOW?

- The United States exported over \$18 billion in goods to India in 2008, a 6% increase over 2007.
- India is the world's largest democracy and one of the world's fastest growing economies. The middle class totals 350 million people, which is comparable to the entire U.S. population.
- By 2020, almost 50% of Indians will be between the ages of 15 and 59, which will give India the world's largest pool of workers and consumers. (Business Week)
- India's total imports reached an estimated \$287 billion in 2008. Of that total, China's share was 10.6%, the U.S. 7.8%, and Germany 4.4%. Indian exports to the U.S. reached \$25.76 billion in 2008, a 7% increase over 2007. (CIA)
- Tata Motors, one of India's most prominent vehicle manufacturers, introduced the Nano in 2008, a "one lakh" (roughly US \$2,000) car for the masses.
- Over the last decade, India's Information Technology (IT) sector has been a lynchpin of the country's economic growth. India's IT sector showed remarkable resilience in India's Fiscal Year 2006-07, with annual revenues of US\$ 48.1 billion. The recent financial meltdown and subsequent global recession in 2008, however, will undoubtedly put a damper on the phenomenal growth rate of India's IT sector. (Government of India)



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### ECONOMIC OUTLOOK

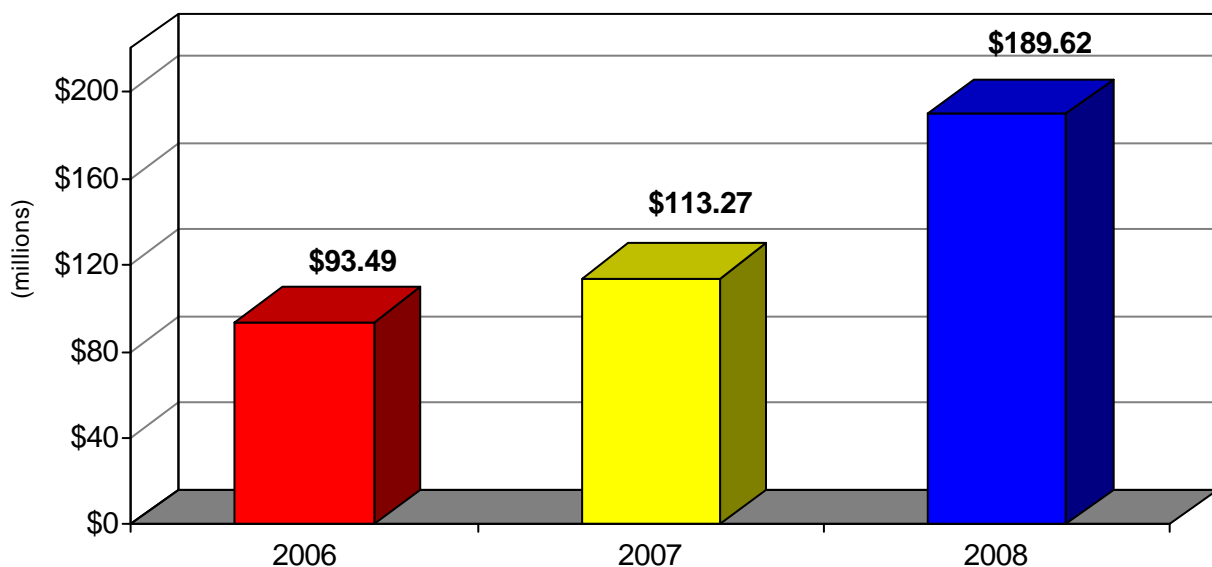
Like other Asian nations, India's economy has undergone profound economic liberalization over the last several decades, which has resulted in an uninterrupted economic expansion that is only now showing signs of slowing down. India has managed to stay relatively insulated from the recent turmoil in financial markets and the subsequent global economic recession, and is currently the world's fastest growing economy after China. According to the Economist, India's economy grew 6% in 2008 and is forecast to continue strong growth in 2009, although possibly at a slower rate. Unlike most major economies in Asia, India is not as dependent on exports for economic growth, a fact that has protected it from the collapse in global demand. India's Central Bank has been cutting short term interest rates, which in turn has encouraged borrowing and buoyed domestic consumption.

India enjoys many comparative advantages over its neighbors, including an educated workforce that speaks English, the world's largest democracy and second largest population, a sophisticated IT sector, and a young, entrepreneurial class that is eager to take advantage of the country's ongoing economic liberalizations.

The end of the Cold War and the ongoing war on terrorism have brought the United States and India closer together. In March 2006, the two countries signed an agreement to expand cooperation in civilian nuclear programs, space initiatives, technology trade, and missile defense. Stronger political and economic ties between the United States and India will continue to promote opportunities for Virginia businesses to export to one of the world's few growing economies.

(Sources: IMF, Bloomberg.com, Economist.com)

### VIRGINIA EXPORTS TO INDIA



(Source for Graph: World Trade Atlas)



## INDIA

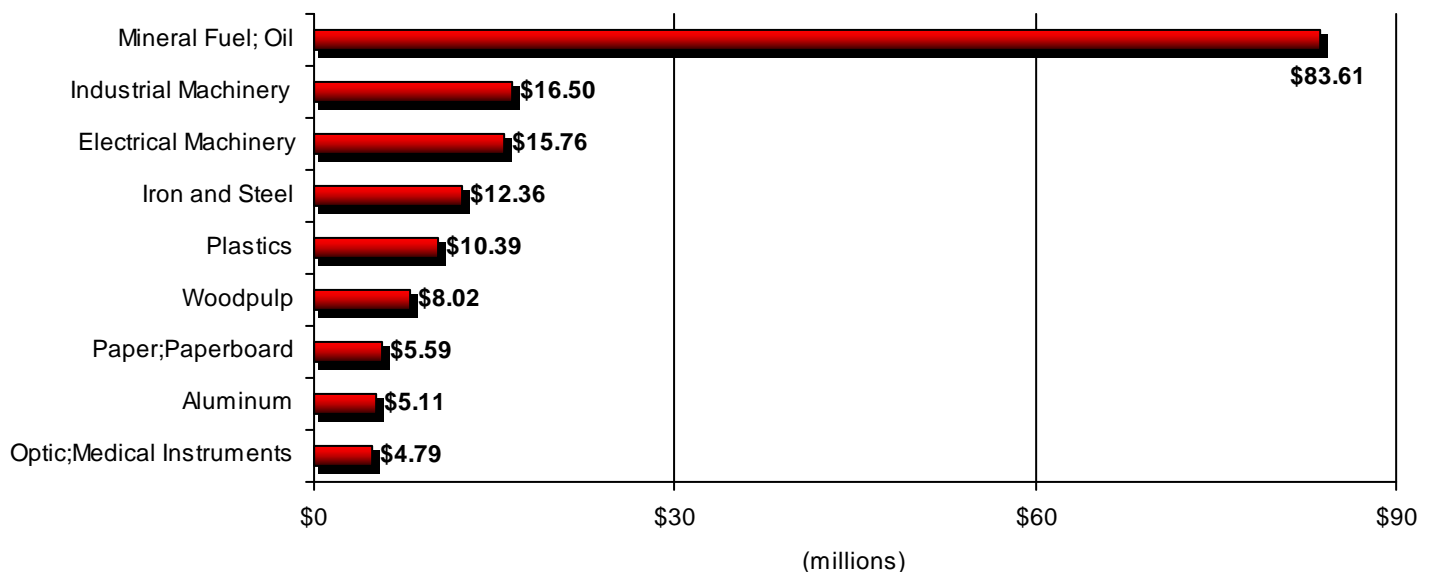
### VIRGINIA EXPORTS TO INDIA

U.S. exports to India via Virginia grew 67% in 2008, led by strong growth in commodity exports. U.S. exports of coal to India via Virginia, which had until recently been steadily declining, rebounded in 2007 and jumped almost 540% in 2008, while aluminum products (mainly waste and scrap) increased almost 330% in 2008. Strong sales of American coal to India are being driven by India's relatively strong economy and growing energy needs. Coal is used most heavily in India's energy sector and continues to be the fuel of choice for power generation. India has a healthy domestic coal industry, but supply is chronically insufficient and the coal is poor quality.

Virginia's exports of industrial and electrical machinery to India remained strong in 2008, growing 33% over 2007. Within the industrial machinery category, leading exports were metal-rolling mills, ball/roller bearings, computers and computer components, centrifuges/filters, and printing machinery. Exports of electrical machinery were led by parts for television/radio/radar apparatus, insulated wires/cables, carbon electrodes and brushes, electrical switches, and integrated circuits.

Other export product groups that saw significant growth in sales to India in 2008 included plastics, paper and paperboard, silk (including yarns and woven fabrics), iron/steel products, soaps and waxes, and articles of wood (mainly logs and lumber).

### VIRGINIA'S TOP EXPORTS TO INDIA- 2008



(Source for Text and Graph: World Trade Atlas)



## INDIA

### VEDP TRADE EVENTS

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#### Market Visit to India: October 26-30, 2009

For more information contact Diane Thomas, International Trade Manager, (276) 623-1536 or email at: [DThomas@yesvirginia.org](mailto:DThomas@yesvirginia.org)

For a complete listing of VEDP's international trade events, please visit the "Events" tab on our website: [www.ExportVirginia.org](http://www.ExportVirginia.org)

### VEDP CONTACT INFORMATION

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### ADDITIONAL RESOURCES

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U.S.- India Business Council: <http://www.usibc.com>

Confederation of Indian Industry: <http://www.ciionline.org>

Embassy of India in the U.S.: <http://www.indianembassy.org>

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