

India

Key indicators

Population (millions)	1309.7
GDP (\$ billions)	2251.0
GDP per capita (\$)	1718.7
Share of world GDP (PPP\$, %)	7.3
Current account surplus/deficit, share of GDP (%)	-1.4
Tariff preference margin (percentage points)	0.9
Imports and exports (goods and services), share of GDP (%)	45.1
Services exports, share of total exports (%)	37.1
Geographic region	Asia
Country group	
Income group	Lower-middle income

SME Competitiveness Grid Summary

Average scores [0-100]	Compete	Connect	Change
Small	37.5	26.8	41.3
Medium	41.9	48.4	52.2
Large	59.7	73.1	66.2
All	42.6	40.8	51.1
BUSINESS ECOSYSTEM	61.5	69.8	58.6
NATIONAL ENVIRONMENT	54.5	43.7	45.1

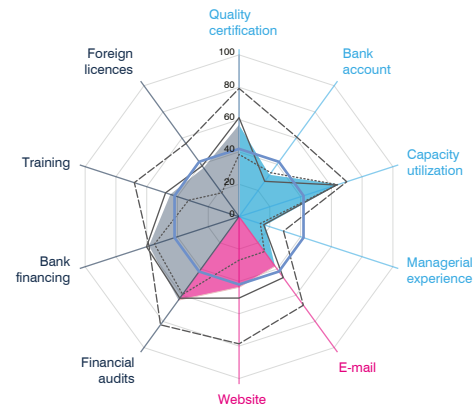
Reference level: 41.9 (a function of GDP per capita)

Weaknesses are scores below: 21.0 **Strengths are scores above: 62.9**

SME Competitiveness Grid

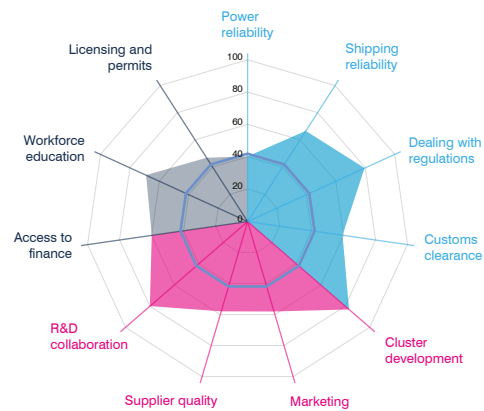
FIRM CAPABILITIES (Normalized scores)

Compete	Small	Medium	Large	All
International quality certificate	38.5	61.2	79.3	56.8
Bank account	33.5	27.0	60.8	32.0
Capacity utilization	64.1	63.2	70.0	64.7
Managerial experience	13.8	16.0	28.9	17.1
Connect				
E-mail	26.7	46.5	67.7	37.9
Firm website	26.9	50.3	78.6	43.6
Change				
Audited financial statement	59.4	62.3	82.6	63.7
Investment financed by banks	55.0	60.1	58.5	58.5
Formal training programme	32.8	47.8	68.0	44.7
Foreign technology licences	18.2	38.8	55.8	37.3



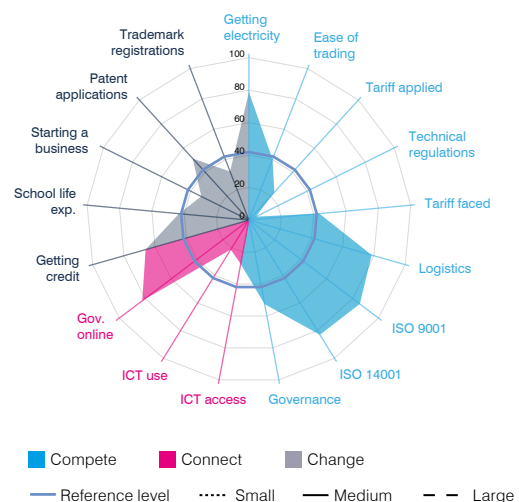
BUSINESS ECOSYSTEM (Normalized scores)

Compete	Small	Medium	Large	All
Power reliability	41.1	41.1	38.8	40.3
Domestic shipping reliability	72.8	66.6	72.8	66.6
Dealing with regulations	83.1	78.7	72.9	79.6
Customs clearance efficiency	54.2	60.2	59.4	59.4
Connect				
State of cluster development				83.1
Extent of marketing				58.0
Local supplier quality				58.0
University-industry collaboration in R&D				80.0
Change				
Access to finance	53.2	64.1	69.8	59.9
Access to educated workforce	71.1	65.7	73.9	69.0
Business licensing and permits	44.6	50.2	43.7	46.9



NATIONAL ENVIRONMENT (Normalized scores)

Compete	All
Getting electricity	78.9
Ease of trading across borders	40.2
Applied tariff, trade-weighted average	23.3
Prevalence of technical regulations	4.8
Faced tariff, trade-weighted average	43.5
Logistics performance index	78.6
ISO 9001 quality certificates	85.5
ISO 14001 environmental certificates	83.0
Governance index	52.6
Connect	
ICT access	27.5
ICT use	21.3
Government's online service	82.3
Change	
Ease of getting credit	66.1
Interest rate spread	-
School life expectancy	43.2
Ease of starting a business	32.7
Patent applications	51.3
Trademark registrations	32.1



Note: Scores range from 0 to 100, a higher score indicates a better outcome. Series with missing data are indicated as (-) in the tables and omitted from the radar charts.

Source: World Bank Enterprise Survey (2014) for firm level data; for other sources and methodology see Annex.

SME Export Potential

India is a lower-middle income country with a population of 1,309.7 million and GDP of \$2251 billion. Goods and services account for 62.9% and 37.1% of exports, respectively.

The country's unrealized potential to increase existing exports lies mainly within its home region and to Europe and the Americas (see table below). *Diamonds* have an unrealized export potential of around \$11 billion in the home region, \$3.4 billion to Europe, and \$4.2 billion to the Americas. Other products with unrealized potential to these regions include *pharmaceutical products* and *motor cars*.

Regarding new export products, India has diversification opportunities in electronic equipment, processed food, and textiles with products such as *headphones and earphones*, *silk yarn*, and *prepared or preserved tomatoes*. The production of *silk yarn* and other textile products identified for diversification such as *tyre cord fabric of high-tenacity polyester yarn* involves a relatively strong representation of women. Other products for diversification include *portable electrical lamps* and *electric hairdryers*.

Small firms in India perform well in capacity utilization and dealing with regulations. They underperform, however, in managerial experience and owning foreign technology licences. The largest gap between small and large firms lies in having business websites. The country's national environment performs particularly well in attaining ISO certification related to quality and environment, and in online services provided by the government.

Unrealized potential: Existing export products

Product description	Product code	Exports (\$ million)	Value of unrealized potential exports by destination (\$ million)					Development indicators			
			Africa	Americas	Asia	Europe	Oceania	Price stability	SME presence	Women employed	Technology
			0	15000	0	15000	0				
Diamonds, worked, but not mounted or set (excluding industrial diamonds)	710239	25145		15000	15000	15000		Red	Green	Red	Red
Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or...	711319	9640		15000	15000	15000		Red	Green	Red	Green
Semi-milled or wholly milled rice, whether or not polished or glazed	100630	5917	15000	15000	15000	15000	15000	Green	Green	Green	Red
Pharmaceutical products, except lubricants and ostomy appliances	30XXXX	11668		15000	15000	15000		Red	Red	Green	Green
Motor cars and other motor vehicles principally designed for the transport of persons, incl. station...	870322	3022		15000	15000	15000		Green	Red	Green	Green
Copper, refined, in the form of cathodes and sections of cathodes	740311	2308		15000	15000	15000		Green	Red	Red	Red
Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the...	230400	1801		15000	15000	15000		Green	Green	Green	Green
Shrimps and prawns, frozen	0306Xb	2458		15000	15000	15000		Green	Green	Green	Red
Cotton, neither carded nor combed	520100	3309		15000	15000	15000		Green	Red	Red	Red
Miscellaneous parts and accessories, for tractors, motor vehicles for the transport of ten or more...	8708XX	2618		15000	15000	15000		Green	Red	Green	Green

Notes: Unrealized potential table: Top 10 products in decreasing order of unrealized export potential to the world. **Exports:** Average value over 2011-2015. **Price stability, SME presence, and Women employed:** Green - performance above a country's trade-weighted mean. Red - the opposite. **Technology:** Green - transformed products exported by countries at least matching the country's per capita GDP. Red - the opposite. Blank spaces - data not available.

Source: ITC Export Potential Map, <http://exportpotential.intracen.org>