



Country Profile

Latest Economic data 2018-worldbank.org

Population: 1324 Million

GDP/Growth: 2.726 Trillion USD/2.8%

GDP per Capita: 1978 USD (Rank:150)

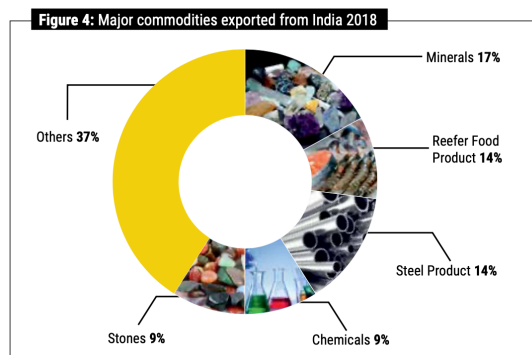
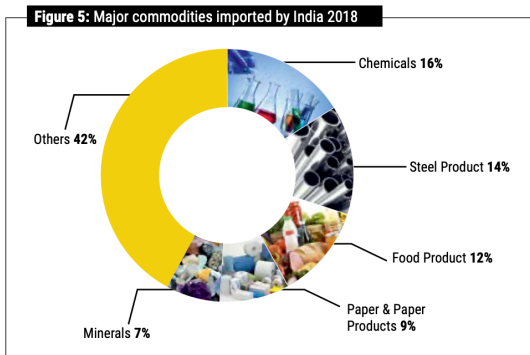
Trade in Goods 2018- stat.wto.org

Import Market

- Import Trade Volume: 512.08 Bn USD
- Top Commodities: mechanical and electrical products, chemical products, textile
- Top Origin Countries: China, USA, Saudi Arabia

Export Market

- Export Trade Volume: 324.63 Bn USD
- Top Commodities: precious metals, textile, chemical products
- Top Destination Countries: USA, UAE, China

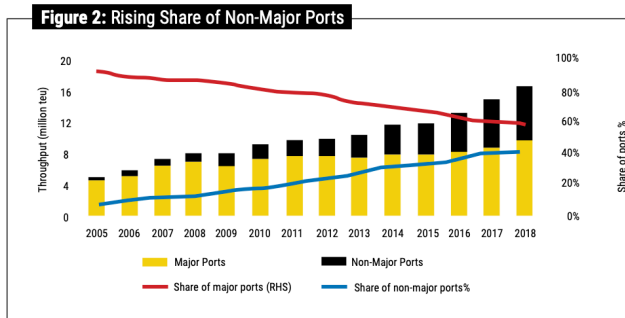


Foreign Direct Investment

- Main Origin: Singapore, Mauritius, Japan

Market Size in TEU 2019

- Key Port: MUMBAI, CALCUTTA, MUNDRA, COCHIN, TUTINCORIN
- 699 Million Tons / 17 Million TEU's / 10.5% growth in 2018/2019





Detail volumes and statistics

On surcharges, port throughputs, etc. are available in the Indian [Container Market Report 2019](#).

Market Environment

In recent years, India has seen robust increases in sales, output and employment in consumer goods manufacturing, partly attributable to the benefits of Goods & Services Tax reforms in recent years elevating efficiency and speed to market. Throughout 2019, however, a slowing economy has drained momentum and GDP growth is at its lowest rate since Modi took office. Automotive manufacturers have suffered in particular.

Reforms are on the way. September 2019 saw corporation tax rates cut from 30-40% to 22-25% which estimates suggest will create around \$20billion of additional investment capital.

As part of wider tax reforms to arrest slowing economic growth, new manufacturing ventures established in the country are being offered reduced rates of taxation as India looks to take advantage of fallout from the US-China trade war. Whether or not the reforms go far enough is open to debate. Additional reforms across land and property ownership, the labour market and FDI are also needed to unlock India's full potential and return growth to higher levels.

Asserting re-election as confirmation of his pro-business agenda, Modi has announced bold plans to nearly double India's GDP to \$5trillion by 2024. Such an ambitious plan is impossible at current growth rates which the IMF forecasts at 6.1% in 2019- lowest level recorded in more than 6 years.

With economists suggesting annual GDP growth of 10% is required just to power job creation for the 10million people entering India's labour market each year, the scale of Modi's ambitious transformation plan, and the challenge in meeting it, comes into stark relief.

According to the Agility Emerging Markets Logistics Index, China and India lead the domestic and international logistics opportunities sub-Index. It is in the sub-Index where China and India's structural advantages pay greatest dividends, with globally significant economies and vast populations supported by large domestic contract logistics and express parcels markets.

In direct comparison over the past 5 years, infrastructure development remains the key area where India continues to lack behind China and which is retarding growth and development. Further the gap between rich and poor seems to continue to widen, with Oxfam reporting that the top 1% of the society are now holding 4 times the wealth of the lowest 70%.

Market Report

Country: India

February 2020



For imports and exports with the European Union, India still ranked 9th in 2018, signaling quite a potential to develop, especially following supply chain risk assessments on the dependency from China.

Feedback during the meetings with various parties, was that the market continues to progress slow but steadily. The expanded Chinese New Year break due to Covid-19 and alternate sourcing from Indian firms has for some logistics companies resulted in increased exports during February 2020, partly in double digit percentages.

Following pressure from the Indian government that aims to reduce logistics cost below 10% by 2022, the forwarding community has initiated measures to self-regulate in the Less than Container Load (LCL) sector, effective March first, applying fully transparent destination charges and service fees, which aim to put an end of the prevailing rebate system especially on the China to India lane. It is expected that the development will be favorable for larger players and kill the business model of many smaller consolidators. Long-term likely a positive development, as the market becomes more mature and will see service and quality driven differentiation.

On the logistics side, there seem to remain opportunities in the cool chain sector, where refrigerated storage capacity is currently only at 6-7%. Which has been one of the core themes in the cold chain and warehouse logistics seminar as part of CTL/BHP 2020 in Mumbai organized by EXIM.

The logistics market overall, in particularly domestic, is expected to see significant growth in 2020, growing from 160 billion USD to 250 billion USD market in 2020 driven by eCommerce.

Whilst Foreign Direct Investment has dropped for the first time recently, it still remains at a high level with 44.4 billion USD in 2018/2017 and Singapore as the key origin of the funds.

Certainly a lot of potential for the tradelane, to focus on with our local members in India for development.

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Market Report

Country: India

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OceanX Member Jeena&Co.:

The recent trip included an exciting day at our member Jeena's head office in Mumbai, including interesting exchanges with the management team. It provided the opportunity to experience the very special culture inside this organization and a better understanding of their centralized service structure for overseas shipments, ensuring quality and efficiency. Entering their 120th year of operation and with the 5th generation starting to work in the firm, the company has been able to reinvent itself multiple times during its history, staying close to customers and remaining on top of their game.

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OceanX Member Goodrich Maritime:

Our member Goodrich had a strong presence at this year's CTL/BHP exhibition, showing their latest achievements in project cargo and the capabilities of their SOC fleet, ranging from liquids to special equipment. Interesting discussion on the value of visibility and innovation to ensure competitiveness, while differentiating in the marketplace.

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OceanX Member Subramany Logistics:

A local leader in Southern India, Subramany, has been operating since 1942 and offers reliable, competent and efficient services.

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