

---

# Trade Investment Promotion Service

## TIPS News Bulletin

---

Volume III/Issue No.2

May 2018

---



## **WTC Navi Mumbai brings the World of Information on Trade & Investment...**

### **Important Developments at Global & Local Levels**

World Trade is a truly dynamic subject . It is indeed difficult to predict the developments that will have strong impact on future of world trade and economy . Yet two major things have happened just recently . And these can certainly be termed as game changers :

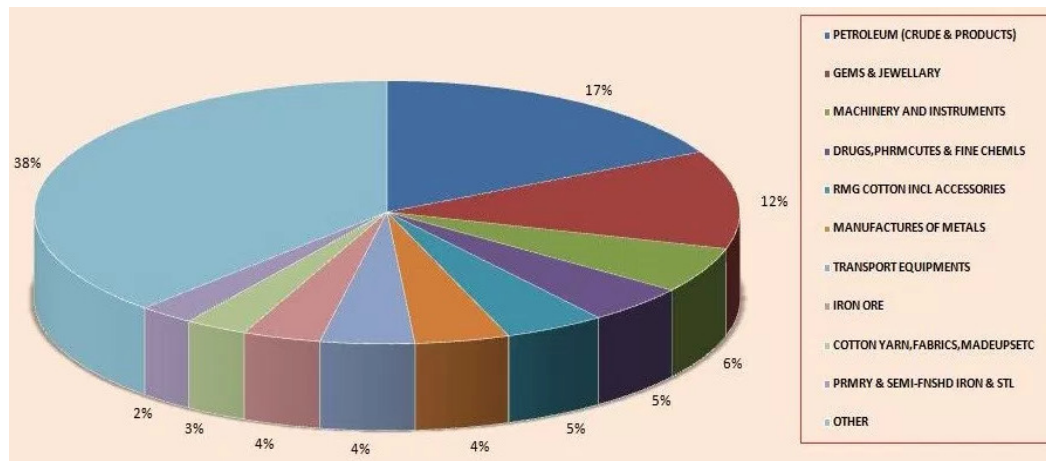
- For the first time there was a historical yet cordial meeting between USA and North Korea at the highest political level . Two strong enemy nations in the world apparently have realised the futility of animosity and bringing the world on the brinks of warlike situations . South Korea played a major role in this getting the two on table for talks . Hopefully this will lead to a better world in future and eliminate threats of world war . An excellent situation for the world trade to grow and let us hope the spirit of cooperation will continue in the years to come .
- Another very important political meeting was between India and China again at the highest level . Both these countries have very high stakes in coming together for trade , investment and economic cooperation . In a sense both are affected and getting affected because of protectionist policies adopted by the USA – their leading partner . But more important are the parameters of their economies which are converging and complementary to each other . In fact economic cooperation and market integration of the two countries will go a long way in creating a largest and most significant force at the global level. And needless to say that of course it will be beneficial for both in the long run .
- Within India , the GST decision seems to be paying dividends with the collection of more than Rs. 1 lac crores during April 2018 . A happy situation indeed for all the stakeholders – governments , businesses / industry as well as consumers .
- What is happening on India's Export front ? Read the article on next two pages . It is interesting , comprehensive and informative .

## A competitive outlook of the Indian Export Sector

The economy of India can be categorised as a developing mixed economy. The economy of India is the fifth largest in the world as per nominal GDP with approximately \$2.8 trillion and third largest in the world as per GDP (PPP) which is over \$10.3 trillion. The Indian economy has been growing at over 7% per annum and is the fastest growing major economy in the world today.

India is one of the fastest growing service sectors in the world, the major exports of India are IT services, Business Process Outsources(BPO) and software services. India also has a large manufacturing and agriculture sector which forms approximately 40% of the Indian economy. India has one of the largest retail markets in the world which is over \$600 billion in value and also one of the fastest growing E-commerce market in the world. India has the third largest start up base in the world with over 3100 technology based start ups.

India exports approximately 7500 commodities in over 190 countries. India has an average export growth rate of 11.2% between February 1991 and April 2018. It has exported roughly \$437 billion worth of goods and services as of financial year 2017-18 which indicates that the Indian exports contributes to roughly 16% of its economy. The below pie chart indicates the market share of the major products exported by India around the globe.



As it can be interpreted from the above pie chart, 38% of Indian exports are petroleum products followed 17% of products which are precious gems and jewellery and 12% contribution for textile and garment products. Apart from commodities, the Indian service industry had service exports worth approximately \$160 billion for the financial year 2017-18 according to RBI data. The main export partners of India are the European Union, United States, United Arab Emirates and China which are destinations to approximately 55% of Indian exports.

The Indian export industry has remained buoyant despite facing stiff competition from Chinese goods and a slow-down in the global economy. This is mainly due to the ability of the exporters to differentiate the products and move higher up the value chains. Despite a positive outlook, the Indian export market is still volatile and faces constant changes over the period of time. China has a far stronger export base compared to that of India's.

### **Why India cannot have an export led growth like China?**

Strong manufacturing base and extremely large export market has helped China achieved such large economy. India cannot achieve such a feat due to various constraints.

Today's world is quite different from what it was when China embarked on its export-led growth path. India is a multi-party democratic with all kinds of pulls and pressures that make effective implementation of the Chinese growth model difficult.

Export-led growth strategy aided by artificially undervalued currency won't work when world trade grows at slower rates than world GDP. Each country is relying on currency devaluation to capture a bigger slice of the sluggish global demand. Mega trade pacts such as the Trans Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP) will further deprive India from accessing overseas markets.

India can't compete with LDCs in low-cost-labour-intensive manufacturing for long. Its labour cost is lower than in China but far higher than in countries such as Bangladesh, Ethiopia or Myanmar. India's badly conceived trade pacts will kill low-tech manufacturing that depends upon labour cost advantage.

Creating and building brands is a long-drawn process that India can't afford either in terms of time or money. Many of India's key exports such as apparel are low-margin contract manufacturing that does not make much money for manufacturers, because manufacturers don't own the brands. A suit being retailed for \$2500 in London gives roughly just \$250 to its makers in Tirupur. Logistics related inefficiencies further squeeze margins. Moreover, India also has to deal with manufacturing through robotics and 3D printing that are going to take away the advantage that comes from labour abundance.

India still shows a positive outlook in the export industry and as per statistics, the Indian export market will be growing to more than \$500 billion in FY2018-19 and displays more optimistic future growth trend.

**( Written by : Abhishek Bhattacharya, BBA - D Y Patil Univ. School of Management )**

## A) WTC Navi Mumbai Event

### Workshop on “ Success In Export Business”

#### Background / Objectives:

India needs to extensively promote exports at the moment. Existing & future exporters need to gain insight into how they can contribute in this endeavour & achieve success. India's product/markets mix & services needs to be strengthened and diversified.

#### Guest Speakers:

Mr. Nakul Bagkar

Mr. Harshwadan Parikh

Mr. Jayant Ghatе

Expert on

MD, HardChem

Advisor

Export-Import

Electronics Group

WTC Nav Mumbai

#### Topics:

- Export Policy, Procedures, Incentives (DD/MDA etc) & GST Implications
- India's Export Market- Product Mix & Opportunities
- Raising Finance for Exports
- Organising Supply Chain – Shipping & Logistics
- Role of Export Promotion Organisations

**Date : TBA**

**Venue : WTC Navi Mumbai**

**Time : 10:30am-5:00pm**

**Participation Free. Please Confirm with:**

**Mr. Jayant Ghatе: 86555 94141 / 09820342535**

**Email: [jayant.ghate@wtcnavimumbai.org](mailto:jayant.ghate@wtcnavimumbai.org)**



Co ordinally Invites You to  
“Entrepreneurs” Meet- 2018”  
&  
Interactive Session

**Guest Speakers:**

Ashok Khade  
MD – Das Offshore

Ganesh Rane  
NSIC

Jayesh Khade  
Indo – Global Chamber

**Venue:** WTC Navi Mumbai Raheja, District- I, Plot Gen-2/1/B, 'D' Block,  
MIDC, Opp. Indian Oil Terminal Gate, TTC, Juinagar, Navi Mumbai- 400706.

**Date:** 10th May, 2018

**Time:** 3:00pm-6:00pm

**Fees:** Rs. 250

**RSVP:** +91 76660 02002

**E-mail :** [philosophers423@gmail.com](mailto:philosophers423@gmail.com)

**Supported By :**

## B) WTCs Around the World

### WTC Edmonton, Canada



#### **Chambers Join Forces to Push Feds and B.C. to get Trans Mountain Built**

A coalition of 24 Chambers of Commerce and Boards of Trade are calling on the federal government and the government of B.C. to clear all barriers to getting the federally approved Trans Mountain Pipeline Expansion Project built.

These organizations represent the communities where the pipeline has operated safely for 65 years. Trans Mountain is the most efficient route to access new markets, providing billions in profits, taxes, jobs, tolls and royalties that all Canadians benefit from. Completing this project will send a strong signal that Canada is a stable and reliable destination for investment.

“Allowing one province to derail this multibillion-dollar project will give Canada a black eye with investors and job creators in traditional energy, renewable energy and, in fact, across every sector. We need action now,” said the Chambers and Boards of Trade, who represent 60,000 businesses, in a joint letter to Prime Minister Trudeau and Premier John Horgan.

### WTC Greater Philadelphia, USA

#### **Chemtech International: First WTCGP Member Company**

**“I was the very first member of the World Trade Center of Greater Philadelphia.”**

This year, Chemtech International will receive the first Legacy Award from the WTCGP at our 16th Annual World Trade Centers Day Annual Awards and Celebration taking place at the Pennsylvania Academy of Fine Arts on May 3, 2018.

“It’s only fitting that Chemtech International will receive the first Legacy Award,” says Linda Conlin, President of WTCGP. “During one of our team discussions, we realized that during our annual awards celebration we also need to recognize those companies who have stood by us and believe in the mission of our organization.”

Over the years Chemtech has participated in several Trade Missions and Expos organized by the PA Department of Community & Economic Development and the U.S. Commercial Services offices, which took him to Singapore, Malaysia, Thailand, India, Sri Lanka, France, Hong Kong, Taiwan, Beijing, Mexico and South Africa. Kosh also took several trade missions with former Governors Tom Ridge and Mark Schweiker. By 1999, 30 percent of Chemtech’s business was international.

## WTC Greater Philadelphia, USA

### Going Global? Professional Translation a Necessity

Translation affects every aspect of our lives in business and personally and literally makes the world go round. Every letter and phrase needs to be converted precisely to perfectly match not only the language but also the culture.

In The book, *Found in Translation: How Language Shapes Our Lives and Transforms the World*, authors Nataly Kelly and Jost Zetsche write of translation errors that are not only costly but also dangerous. HSBC was forced to launch a \$10 million rebranding campaign to repair the mistranslated slogan, “Assume Nothing,” which was translated to “Do Nothing” in various countries.

WTCGP trade specialists counsel client companies to connect with a professional translation service company before entering a new market.

## WTC Cyprus



World Trade Center Cyprus is delighted to be hosting the World Trade Centers European Regional Meeting (ERM) this coming summer in Limassol, Cyprus. The ERM will take place on the 21st and 22nd of June 2018 at the Grand Resort Hotel, Limassol.

Please visit [www.wtc-erm2018cy.eu](http://www.wtc-erm2018cy.eu) for regular updates.



## **WTC Navi Mumbai Important Membership Benefit**

WTC Navi Mumbai is pleased to announce an additional membership advantage that will provide special facilities offered by Raheja Universal Group as part of its Raheja Care initiative.

Besides providing the International Networking/ Access benefits to the WTC members, complimentary membership of Raheja Care will provide access to wide range of domestic advantages such as Lifestyle, Institutional Alliances as well as Special Alliances.

Raheja Group has taken this important initiative leveraging its strength in core business and to provide this special benefits its associates.

New organisations/companies interested in WTC membership are requested to send the completed membership application form along with payment. The form is attached at the end of this bulletin.

## MEMBERSHIP APPLICATION FORM

1. Name of the Company  
(In Block Letters) : \_\_\_\_\_
2. GST No : \_\_\_\_\_
3. Year Of Establishment : \_\_\_\_\_
4. Office Address : \_\_\_\_\_  
\_\_\_\_\_
- Telephone No/Fax No : \_\_\_\_\_
- Email : \_\_\_\_\_
- Company Website : \_\_\_\_\_
5. Representative Name : \_\_\_\_\_
- Mobile Number : \_\_\_\_\_
- E Mail : \_\_\_\_\_
6. Company Profile (Attach Brochure) & Business Interests ( Pls Specify): Export ,Import, Countries & Products, Investment, Technology etc  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
7. Annual Fees : **Rs.2,950/- All Inclusive Payable by Cheque / DD in Favor of "Raheja Universal Pvt Ltd."**

**Authorised Signature & Company Seal**

## **Membership Advantages / Benefits:**

- **Global Recognition**

- WTCA and WTC network is a Global Brand known for Best Quality Practices. Your Membership brings you Global Recognition to start with.
- 330 WTCs operating in 92 countries provide Reciprocal Membership Services such as: Office Space, Business Centre, Exhibition / Meeting Rooms , B2B Opportunities, Seminars / Workshops, WTC Club, Hotel Discounts etc.
- WTCA / WTC Card to the Member for Access to these Services.
- There are 750000 Business and other organisations and 15000 Experts associated with WTCs Network. You can count on this for any of your International Business Needs.

- **National & Local Benefits**

- WTC Navi Mumbai offers significant benefits in terms of Access to the Global WTCs Network
- Knowledge Services include : Trade Information , Education , Trade Mission
- International Trade Library & Databases for Reference
- Participation in Seminars & Training Programs , Mentor Events
- B2B Meetings with Incoming Trade Delegations
- Referrals to Overseas Embassies / Consulates in India for Visa purpose
- Facilities : Temporary Offices & Meeting Rooms
- Value-added Market / Export Surveys, Industry Studies , Research (@ cost)

- **Special Offer**

- Complimentary Membership of Raheja Care which provides a world of exclusive privileges & benefits and discounts on Lifestyles, Home Alliances & Institutional Alliances