Fast Facts about California-India Trade Relations
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India has the third largest economy in the world with a GDP of $4.9 trillion.[1] India is the largest democracy in the world with an estimated population of 1.2 billion people.[2] India had a GDP growth rate of 4.7% in 2013,[3] and the economy is continuing to expand as a result of market-oriented, economic reform that began the early 1990s.[4]

Profile of India

- India's official name is "Republic of India," and its capital is New Delhi.[5] The country is comprised of 28 states and seven union territories.[6]
- In July of 2014, the estimated population of India was 1.2 billion people, making it the second most populous country in the world behind China (1.3 billion people).[7]
- New Delhi is the largest urban center in India with a population of 21.72 million people. Other large urban centers in India include: Mumbai (19.7 million people), Kolkata (15.3 million people), Chennai (7.4 million people), and Bangalore (7 million people).[8]
- In 2011, 31.3% of India's population lived in urban areas, while 68.7% lived outside of urban areas.[9]
- In July of 2014, the median age of the Indian population was 27 years. For comparison, the median age of the Chinese population was 36.7 years, and the U.S. was 37.6 years for the same period.[10]
- India is the 7th largest country in the world with a total area of 3.2 million square kilometers (1.2 million square miles). For comparison, India is slightly larger than one-third the size of the U.S.[11]
- India has 14 official languages, but Hindi is the most widely spoken language and the primary tongue of 41% of the population. Other spoken languages include: Bengali (8.1%), Telugu (7.2%), Marathi (7%), Tamil (5.9%), and Urdu (5%).[12]
- English is being used widely in India for national, political, and commercial communication purposes.[13]

Overview of the Indian Economy

- In 2013, India had the third largest economy in the world with a total GDP of $4.9 trillion. For comparison, India's total GDP is smaller than China ($13.3 trillion) and the U.S. ($16.7 trillion), but larger than Japan ($4.7 trillion).[14]
- In 2013, India's GDP per capita was $4,000. Countries with similar GDP per capita include: Vietnam ($4,000), Uzbekistan ($3,800), Moldova ($3,800), Ghana ($3,500), and Solomon Islands ($3,400).[15]
- In 2013, India's GDP was comprised of: The service sector (66.1%), industry (17%), and agriculture (16.9%). For comparison, U.S. GDP in 2013 was comprised of: The service sector (79.4%), industry (19.5%), and agriculture (1.1%).[16]
- In 2013, India had a labor force of 487.3 million people. The 2012 labor force was comprised of agriculture (49%), services (31%), and industry (20%). For comparison, China's 2011 labor force was comprised of agriculture (34.8%), services (35.7%), and industry (29.5%).[17]
- In 2013, 8.8% of the Indian population are unemployed, an increase of 0.3% from 2012.[18]
- In 2010, approximately one-third of the Indian population lived below poverty line (29.8%).[19]
- In 2013, India's total exports of goods were $300.4 billion, and total imports of goods were $490.7 billion.[20]
- Top 5 Indian commodities exported in 2013 include: Mineral Fuels/Oil ($62 billion), Natural Precious Stones/Jewelries ($43.7 billion), Vehicles and Parts ($12 billion), Organic Chemicals ($12 billion), Machinery and Parts ($11.5 billion).[21]
- Top 5 commodities India imported in 2013 include: Mineral Fuels/Oil ($181.3 billion), Natural Precious Stones/Jewelries ($83.8 billion), Machinery and Mechanical Appliances ($35 billion), Electrical Machinery and Equipment ($29.8 billion), and Organic Chemicals ($15.7 billion).[22]
- India's top five export partners in 2013 include: The United Arab Emirates ($36.3 billion), U.S. ($36.1 billion), Singapore ($13.6 billion), China ($13.5 billion), and Hong Kong ($12.2 billion).[23]

- India's top five import partners in 2013 include: China ($52.2 billion), The United Arab Emirates ($39.1 billion), Saudi Arabia ($34 billion), Switzerland ($32 billion), and the U.S. ($25.2 billion).[24]
- In 2013, the service sector was the largest sector in the economy in terms of GDP (66.1%) and labor force (35.7%). The service sector was comprised of smaller subsectors such as tourism, media, health, retailing, education, real estate, and information technology (IT). IT continues to be the fastest growing segment of the Indian economy, notably Indian software design, business process outsourcing, and IT enabled-services (ITES).[25]
- From 2004-2005, the production of the Indian IT and ITES was $25.1 billion. For fiscal year 2009-2010, the Indian IT and ITES economic value reached $67.7 billion, a 10.4% increase from the fiscal year 2008-2009.[26]
- In 2012, India was a leading exporter and importer of services, ranking seventh globally. For fiscal year 2013-2014, India accumulated $73 billion in revenue surplus from service trade, where service exports were valued at $151.5 billion, an increase of 4% from the previous fiscal year.[27]
- In India, remittances (money sent by migrants abroad back into countries of origin) in 2013 were $70 billion. This amount was greater than the $65 billion surplus revenue from the country's software service exports.[28]
- In 2013, total trade of goods in India made up 43.8% of total GDP.[29]

U.S. and India Economic Relations

- India is developing into an open market economy. Began in the early 1990s, economic liberalization including industrial deregulation, privatizing state-owned enterprises, and reduced state controls on foreign trade and investment, all of which had served to accelerate the country's growth (averaged 7% since 1997).[30]
- The India-U.S. relationship is described as a global strategic partnership. The India-U.S. Strategic Dialogue is an annual, ministerial-level forum where the two countries engage, exchange, and cooperate in bilateral and global issues such as trade and investment, defense and security, science and technology, education, aerospace, health, environmental, and agriculture.[31]
- In 2013, India was the 18th largest export partner ($21.8 billion) and 10th largest import partner ($41 billion) of the U.S.[32]
- Top 5 U.S. commodities exported to India in 2013 include: Miscellaneous Manufactured Commodities ($4.5 billion), Transportation Equipment ($3.2 billion), Chemicals ($3.1 billion), Computer and Electronic Products ($2 billion), and Primary Metal ($1.8 billion).[33]
- In 2013, U.S. exports to India resulted in an estimated 168,000 U.S. jobs.[34]
- Top 5 commodities imported to the U.S. from India in 2013 include: Miscellaneous Manufactured Commodities ($9.5 billion), Chemicals ($7.5 billion), Petroleum and Coal Products ($4.1 billion), Apparel Manufacturing Products ($3.4 billion), and Textile Mills Products ($3 billion).[35]
- Between 2004 and 2009, India's foreign direct investment (FDI) in the U.S. was primarily mergers and acquisitions. There were 239 Indian companies that made 372 acquisitions in the U.S. with a total value of $21 billion, which resulted in 40,000 U.S. jobs.[36]
- From April of 2000 to March of 2014, the U.S. was the fifth largest source of FDI in India (between $12 billion to $28 billion), which supported an estimated half a million jobs in India.[37]
- India's 2012 FDI in the U.S. was estimated to be from $9 billion to $17 billion, which supported 100,000 related jobs in the U.S. In addition, India has committed to over $340 million in research and development activities in the U.S.[38]
- Since 2000, the U.S. and India had been involved in joint development of engineering and scientific research. Over the last decade, the India-U.S. Science and Technology Forum had facilitated more than 12,000 interactions between Indian and U.S. scientists, supported over 250 bilateral workshops and established over 30 joint research centers.[39]
- In 2013, students from India formed the second largest group of international students (behind China), which made up of 12% of the total 819,644 international students in U.S. colleges and universities.[40]
- In 2013, there were over 3 million Americans of Indian descent living in the U.S., which made up of an estimated 1% of the total U.S. population.[41]

California and World Markets (For Comparison)

- California exported $168 billion in products in 2013.[42]
- California's top export markets in 2013 were: Mexico ($23.9 billion); Canada ($18.9 billion); China ($16.3 billion); Japan ($12.7 billion); and South Korea ($8.4 billion).[43]
- California's top five exports in 2013 were: Computer & Electronic Products ($42.4 billion); Transportation Equipment ($17.7 billion); Machinery, Except Electrical ($15.1 billion); Miscellaneous Manufactured Commodities ($14.6 billion); and Agricultural Products ($13.8 billion).[44]
- California's top import markets in 2013 were: China ($130 billion); Japan ($38.3 billion); Mexico ($36.2 billion); Canada ($26.3 billion); and South Korea ($13 billion).[45]
- In 2013, California imported $381 billion in products.[46] California's top five imports in 2013 were: Vehicles, Spark Ignition ($31.7 billion); Crude Oil from Petroleum ($29.5 billion); Automatic Data Process Machines ($18.6 billion); Motor Cars for Transportation ($15 billion); and Machines for Voice, Images, or Data ($11.5 billion).[47]

California and India Trade Relations

- In 2013, California was the number one exporting state to India ($5.2 billion), followed by Washington ($2.2 billion), New York ($2 billion), Texas ($1.9 billion), and Nevada ($1.3 billion).[48]
- India was the 9th largest export destination for California ($5.2 billion).[49]
- In 2013, top 5 California commodities exported to India include: Miscellaneous Manufactured Commodities ($2.9 billion), Transportation Equipment ($660 million), Computer and Electronic Products ($624 million), Agricultural Products ($455 million), Petroleum and Coal Products ($146 million).[50]
- In 2012, Americans of Indian descent numbered 536,738 in California, which made up of 1.4% of the total state population.[51]
- Since the 1970s and 1980s, many Indians have settled in the Silicon Valley and made contributions in the high-tech industry include: Satya Nadella (Microsoft's Chief Executive), Ajay Bhatt (the father of the USB), Vinod Dham (father of the Intel Pentium Processor), Vinod Khosla (founder of Sun Microsystems and Khosla Ventures), Sundar Pichai (developer of Google Chrome browser, Gmail, and Maps), Sabeer Bhatia (co-founder of Hotmail), Amit Singhal (responsible for the Google search engine in 2001), and Ruchi Sanghvi (chief developer of the Facebook function News Feed).[52]
- At the height of the technology boom in 1998, 774 (6.7%) of the 11,443 Silicon Valley tech firms started after 1980 has had Indian CEOs. These firms employed more than 16,000 people and generated annual sales of $3.6 billion.[53]
- In 2013, firms in the San Francisco-Bay Area had approximately 700 affiliates in India (ranked 3rd behind the United Kingdom and China).[54]
- Firms in the San Francisco-Bay Area have established a close business partnership with India, including from: Levi Strauss (450 exclusive outlets from 80 Indian cities), Visa (issued 30 million debit cards and 14 million credit cards), Oracle Corporation (largest investment outside of the U.S. with 53% of India's database market), Hewlett Packard (the largest player in India's domestic IT market), Adobe (where 1/3 of its workforce is in India), McAfee (100% of patents in 2007 came from India), and Ebay (with 2 million users and 10,000 dealers across 670 cities in India).[55]

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