

Department of Foreign Affairs and International Trade

## Best Sales Prospects:

There is a wide scope for direct exports from Canada in the oil and gas sector. At present, the requirements of the Indian oil and gas sector include products like blow-out preventers, hydraulic power tongs, digital seismic units, diamond core bits, well platforms, specialised pumps, well data acquisition systems, casing pipes and tubing, deck cranes, crude injection pumps, and downhole production equipment.

The services sector also offers considerable opportunities, particularly in logging, cementing, management of rigs, pipeline inspection, horizontal drilling and production, and data acquisition.

Numerous Canadian companies are actively undertaking or pursuing business in this sector, including provision of consulting services. Canadian companies are also involved in production sharing of oil fields and transfer of technology for downstream projects to manufacture polyethylene and other related products. Canada has also successfully sold used refineries in dismantled condition to India.

## **Market Access**

Trade Channels:

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Oil and gas equipment can be sold in India through a sales agent/distributor or directly to end-users. Most companies prefer operating through a local sales agent for market entry, sales promotion and for liaising with the government.

The following trade channels operate in the Indian market:

- Manufacturer supply company agent purchaser
- Manufacturer local liaison office agent purchaser
- Manufacturer purchaser

The first two channels are employed by foreign suppliers and the third channel is normally used by Indian manufacturers. The first channel is useful for small unit value, large consumption items like tooling, valves and pumps, chemicals, etc. The second channel is employed for large value and one-time contracts or purchases. The third channel is more useful when negotiations are long and require quick decisions and high degrees of personal attention.