

INTRODUCTION

India has, for too long, been stereotyped by the barefooted villager and snake charmer image. Though India still remains an overwhelmingly rural country, with 80% of its population living in villages, it has clearly not been bypassed by the economic boom currently sweeping across the Asia Pacific region. Recent economic liberalization in India has also widened interest in establishing strategic commercial, technology and marketing alliances in this large rapidly growing economy.

Western India, including the three economically forward states of Maharashtra, Gujarat and Goa offer tremendous scope for Canadian exporters. Maharashtra ranks first among the states in India in respect of industry and finance, followed closely by Gujarat. Goa offers a wide range of opportunities in mining, shipping, electronics and tourism. In all, western India is the most important region for business in India.

PART I INDIA

1. GENERAL OVERVIEW

a. Basic facts

India, with its capital at New Delhi, has an area of 3,287,263 square kilometres and a population of 820 million. It has a per capita income of Cdn \$250 (1 Cdn \$ = Rs. 15) based on a rural population of 76.7 percent, with the balance urban dwellers. The country is composed of 25 states and 7 union territories (administered by the Central Government).

b. What India buys

The composition of India's imports are listed below:

	Cdn \$ millions	
	(P) 1988-89	1970-71
Petroleum and products	2830	91
Machinery, other than electrical*	1946	171.9
Pearls, precious and semi precious stones	1910.7	16.4
Iron and steel	1167.3	98
Electrical machinery*	1065.3	91.1
Chemical elements and components	1288	45.3
Edible oils	484	15.4
Transport equipment*	510.7	44.3
Non-ferrous metals	524	79.6
Fertilizers and fertilizer material	618.7	66.6
Paper and board and manufactures	204	16.7
Metal manufactures	128.7	6.2
Medical and pharmaceutical products	130	16.2
Cereals and preparations	420.7	142
Total imports (incl. others)	18462	1089.5

P = provisional

* including spares, components and accessories.