

Trade and Competitiveness Monitoring Note

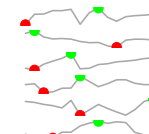


India

| GDP (US\$ billions) (2016) | Population (millions) (2016) | Income per capita (current US\$) (2016) | Poverty rate (2011) | Unemployment rate (2014) |
|----------------------------|------------------------------|---|---------------------|--------------------------|
| 2,527.4 | 1,326.8 | 1,904.9 | 21.2 | 3.6 |

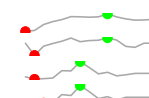
Macro Indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---------------|------|------|------|-------|-------|
| GDP growth (annual %) | 7.5 | 5.1 | 6.9 | 7.3 | 7.5 | 7.8 |
| Current account balance | -1.0 | -4.8 | -1.7 | -1.3 | -1.4 | -1.7 |
| Fiscal balance (% of GDP) | -8.5 | -7.6 | -7.3 | -7.0 | -6.4 | -6.1 |
| Remittances, received (% of GDP) [1] | 3.2 | 3.8 | 3.8 | 3.4 | — | — |
| Real Effective Exchange Rate (2010=100) | 99.3 | 92.3 | 89.1 | 94.7 | 103.0 | 105.7 |
| Consumer Price Index, annual percent change | 6.5 | 10.2 | 9.9 | 6.0 | 5.0 | 4.0 |



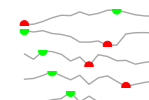
Investment indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---------------|------|------|------|------|------|
| Gross domestic investment (% GDP) | 28.5 | 31.9 | 30.7 | 30.0 | 30.1 | 30.5 |
| Gross domestic investment, of w: Private investment (% GDP) [1] | 34.8 | 36.6 | 32.3 | 31.6 | — | — |
| Inward FDI (% of GDP) [2] | 1.8 | 1.3 | 1.5 | 1.7 | — | — |
| Inward FDI, % of private investment [2] | 5.5 | 4.0 | NA | — | — | — |



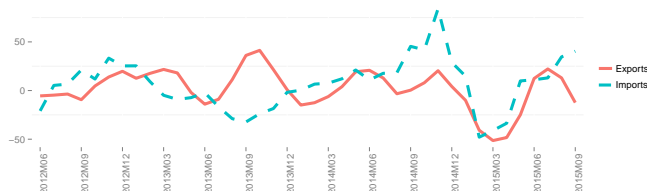
Trade Indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---------------|-------|-------|-------|-------|-------|
| Total Trade in Goods and Services (% of GDP, real terms) | 40.42 | 55.64 | 51.30 | 47.11 | 45.14 | 44.39 |
| Trade balance (% GDP, real terms) | -2.77 | -6.36 | -1.85 | -1.37 | -1.31 | -1.50 |
| Exports, Goods and Services, annual percent change (real terms) | 14.51 | 6.66 | 7.28 | -0.76 | 3.00 | 5.50 |
| Imports, Goods and Services, annual percent change (real terms) | 15.68 | 5.96 | -8.38 | -2.14 | 3.00 | 6.50 |
| Total reserves in months of imports [1] | 8.57 | 5.90 | 6.03 | 6.56 | — | — |



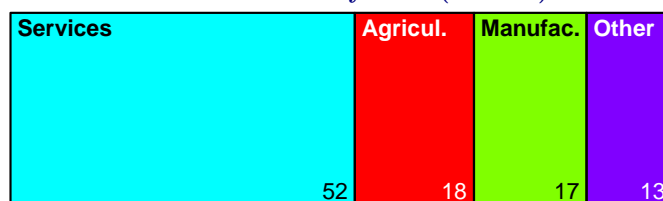
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

Gross Value Added by Economic Activity 2013 (% GDP)

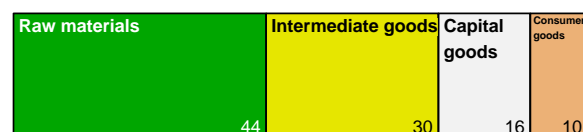


Source: World Development Indicators (WDI)

Top 5 Exports by % of Total Value, 2014

Error in if (rec[3] < rec[4]) {: missing value where TRUE/FALSE needed

Imports Categories by % of Total Value, 2014



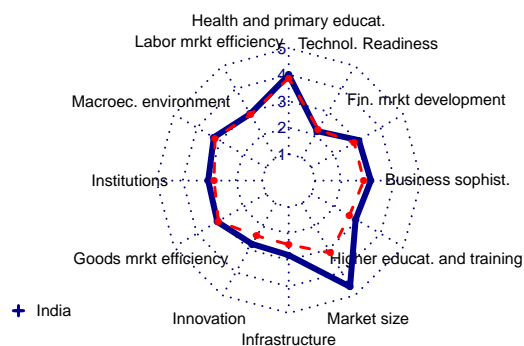
Source: World Integrated Trade Solution (WITS)

Doing Business 2015 Ranks (among all countries)

| | DB 2015 Rank | DB 2016 Rank | Change in Rank |
|-----------------------------------|--------------|--------------|----------------|
| Dealing with Construction Permits | 184 | 183 | 1 |
| Ease of Doing Business Rank | 134 | 130 | 4 |
| Enforcing Contracts | 178 | 178 | 0 |
| Getting Credit | 36 | 42 | -6 |
| Getting Electricity | 99 | 70 | 29 |
| Paying Taxes | 156 | 157 | -1 |
| Protecting Minority Investors | 8 | 8 | 0 |
| Registering Property | 138 | 138 | 0 |
| Resolving Insolvency | 136 | 136 | 0 |
| Starting a Business | 164 | 155 | 9 |
| Trading Across Borders | 133 | 133 | 0 |

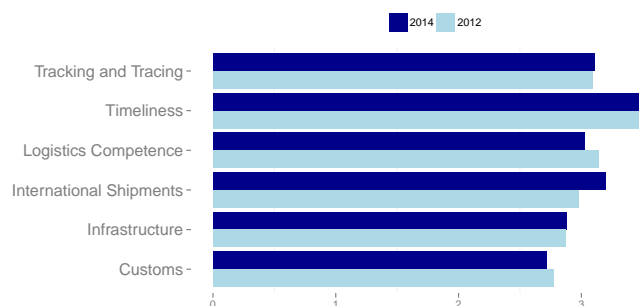
Source: Doing Business Report 2015

WEF Competitiveness Indicators (Scale 1-5, 5=best)



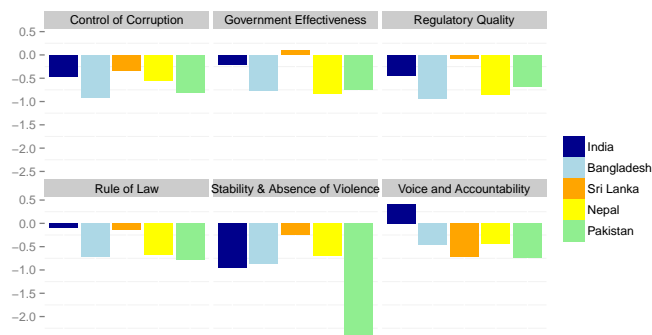
Source: WEF Global Competitiveness Report 2015

Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

Trade Policy

| | 2010 | 2014 |
|--|------|------|
| Applied Tariff (Incl. Prefers. and Trade-Weighted) | 8.3 | — |
| Binding (%) | 74.5 | — |
| Dispersion (Standard Deviation) | 14.7 | — |
| Import duties collected (% 2011-2013) [1] | — | 5.8 |
| MFN Tariff (Agriculture) | 31.4 | — |
| MFN Tariff (Non-Agriculture) | 8.2 | — |
| MFN Tariff (Simple Average) | 11.9 | — |
| Services sectors with GATS commitments [1] | — | 37 |

Sources: WITS, [1] WTO Trade Profiles

Private Sector's Views

Enterprise Survey 2013

| | South Asia | India | All Countries |
|---|------------|-------|---------------|
| Number of electrical outages in a typical month | 25.40 | 13.80 | 6.30 |
| Percent of firms with a bank loan/line of credit | 27.00 | 21.30 | 34.30 |
| Proportion of investment financed by banks (%) | 14.40 | 18.10 | 14.30 |
| Proportion of investment financed internally (%) | 73.90 | 71.80 | 71.80 |
| Senior management time spent dealing with the requirements of government regulation (%) | 7.20 | 1.90 | 9.90 |

Source: Enterprise Survey 2013

Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015