



Opportunities for Western Australian “Smart Technology” Industries into Indian Market

Submission to the Economics and Industry Standing Committee Inquiry into Western
Australia's Economic Relationship with India

Objective of the Presentation

- To present the opportunities for WA business in Indian Smart Technology Sector.
- To showcase the challenges for WA Smart Technology businesses while penetrating the Indian market.
- To propose the options for State Government to facilitate strengthening the WA businesses in India.



Introduction

Smart Technology

- The technological innovations in recent past have resulted in a substantial rise in IT and IOT technologies being applied to every walk of industry, governments and human life.
- WA Smart Technologies sector has been fairly strong with some of its startups and their technologies being acknowledged worldwide.

Indian Scenario

- Being a developing country, India is growing and so with it is a growing cross sectoral demand for smart technologies. From Energy to Agriculture, from Homes to Cities, smart technology space in India is spread far and wide and thus presents a huge market opportunities to global businesses.
- Industrial IoT market of India is predicted to be of worth US\$12 billion by 2020.

India's Smart City Mission

- Initial investment in the mission is of worth US\$14 billion for 100 Cities.
- Smart city mission is in its infancy stage with a huge potential to expand which is substantiated by the recent declared that India is planning to build 4000 smart cities across country with

Opportunities

Smart City

Initial investment budget of **AU\$ 20.39 billion** has been allocated to 100 Smart Cities Mission in India. There has been a recent declaration for 4000 New Smart Cities under the India Smart City Mission 2.0

Smart Utility

Smart grid infrastructure investment is projected to total **AU\$66.91 billion** over the period 2017-2027

Smart Grid

As per report by a firm Northeast Group, **India to invest AU\$ 65.66 billion** in smart grid infrastructure.

Smart Mining

The smart mining market is estimated to grow from **AU\$ 6 Billion** in 2015 to **AU\$ 14.53 Billion** by 2020.

Opportunities

Smart Agriculture

Digital based agriculture is expected to reach **AU\$ 6.7 billion** by 2020.

Smart Retail & Hospitality

The Indian retail market is estimated to grow to **AU\$ 5.352 billion** by end of 2020 and Government of India has planned to invest **AU\$ 239 million** for developing tourism and hospitality sector.

Industrial Internet of things

It is expected to grow to about **AU\$ 17 billion** by 2020 in India itself.

Smart Metering

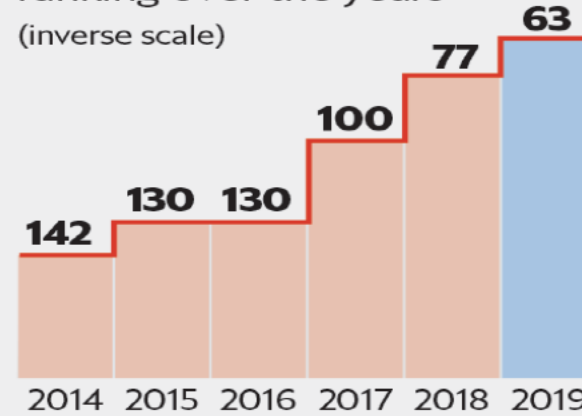
A total of **AU\$ 12.72 billion** is planned to be invested to revive utilities by installing smart meters.

Ease of doing business in India

- Indian government has liberated the foreign investment policy through the **Make in India** initiative, to attract foreign investment.
- According to 6Wresearch IoT market in India is projected to grow at a CAGR of 28.2% during 2016-22
- According to Industry report by Gol, IoT market in India is expected to grow significantly, with the number of connected devices expected to grow to 1.9 billion and revenue expected to grow to **AU\$ 13.37 billion** by 2020
- IoT, being one of the most important aspects of Smart Technologies and India is expected to be close to 20 percent of the global IoT market in next five years.

A steady climb

India's Doing Business ranking over the years (inverse scale)

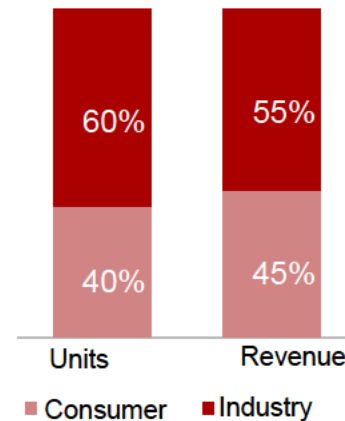


India ranking in categories

THE GOOD	2018	2019
Dealing with construction permits	52	27
Trading across borders	80	68
Resolving insolvency	108	52
THE BAD		
Protecting minority investors	7	13
Getting credit	22	25
Enforcing contracts	163	163

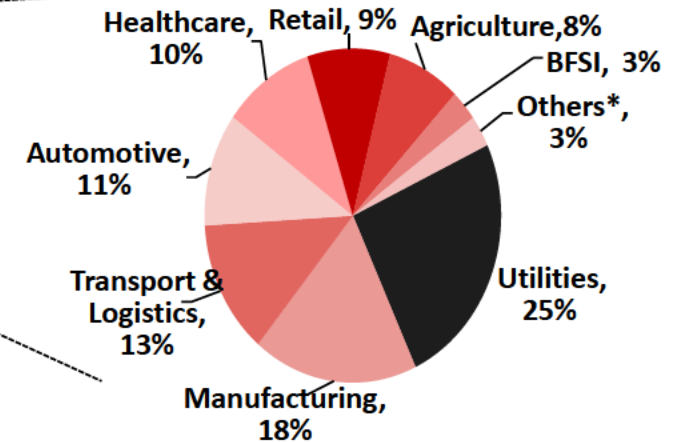
(Source: World Bank 2019)

IoT market in India (2020e)



India IoT installed base (e): 1.9 Bn units
India IoT market size (e): USD 9 Bn

Market size by industry (2020e)



India Industrial IoT market size: USD 4.95 Bn
*Others include food technology, education, construction etc.

Challenges for WA Businesses in India

Local Tender
Qualification
Criteria

Call of tender for Indian projects demands for local experience and local establishment of the bidding organizations for 10-15 years. State government of Western Australia should open talk with Republic of India to find solution to this problem.

Bank
Guarantee

The state government of Western Australia in association with the Indian government may carve out ways to resolve the issue of local bank guarantee.

Open trade

The government of Western Australia may develop a bilateral partnership so that smart tech industries can export their products to India easily.

Tax and Import
duty

High tax and export duty on the products further complicates and hardens the trading process.

Role of State Government of Western Australia

- **Grants/Incentives/Soft Loans:** The government of Western Australia can provide Grants/Incentives/Soft Loans to Australians for investing in the Indian smart technology market will invite businesses to capitalize on the opportunities in India. These incentives can be in the form of revenue sharing, low-interest financing, financial resources, etc.
- **Build Partnership** with “Invest India” and “Make in India” schemes by the Indian government; the Western Australian Government can provide grants and opportunities to set up local **pilots in India** to demonstrate the numerous applications and advantages of smart technology and its ease of use.
- **Australian – Indian research and innovation hubs / centers** - Create linkages with Indian business, universities, research bodies and government.

- Providing **subsidy and rebate** to Australian companies dealing with smart technology on setting up production units in India and hence promote Australian products in the Indian market.
- **Inviting Elected Members, bureaucrats and other decision makers from India** and demonstrating them the technological applications, adaptiveness and opportunities thereby interesting them in making trading deals with the Australian Companies dealing in Smart Technology.
- **Subsidy on export** of smart technology devices from Western Australia to India would entice numerous Western Australian manufacturing units producing smart technology devices (meters, sensors, etc.) to export most of their goods thereby promoting Australian goods in the Indian market.
- **WA research institutions and technology** - attract Indian investment into WA's innovation development - R&D strengths and commercialization potential.

- Making trade deals with the Indian Government under their Smart City Missions such that they consider giving tenders to Australian companies for their countrywide projects thereby promoting Australian Smart Technology in the Indian market. A few demonstration pilots will lead to huge market opportunities for future projects.
- Policies supporting collaboration/partnering of Indian and Western Australian companies dealing with smart technology would increase alliances thus allowing the businesses in both regions to expand their markets, profitability, and presence
- The state government can strengthen its ties with India by making the local companies and investors aware of the underlying opportunities of trade in India and eventually ensure both regions perceive each other as vital economic partners.
- Create opportunity to participate in Indian private bank and industry led accelerator programs for exploring India market opportunities.
- Promoting Sister Cities collaboration between WA Local Governments and Indian cities and supporting knowledge sharing on WA Smart Technologies

Thank You

About ARNOWA

ARNOWA is an IoT based real-time data acquisition, analytics, reporting, verification and management system. Combined with artificial intelligence and real intelligence, ARNOWA supports proactive monitoring, converting data to knowledge, predicting issues, periodic reporting, advising improvements, alarming and making informed business decisions. ARNOWA facilitates audit needs and improves management by providing transparency, accuracy and advice. ARNOWA provides an integrated Hardware -Software - Intelligence tool that facilitates Monitoring, Management and Verification needs, improving audits and supervision by providing in details, transparency, accuracy and advice.



Address:

**Om Dubey,
6 Broadbent Loop, Leeming, WA 6149**



Contact Details:



Email: