

# Welcome



# Why India ???

---

## 1st among the world's most attractive investment destinations

Source: E&Y 2015 India attractiveness survey

Jumped by 12 positions in Ease of Doing Business 2016 List

Source: World Bank Group

Moved up 16 places in the Global Competitiveness Index 2015-16

Source: World Economic Forum

Among top 10 FDI destinations

Source:

1st among the world's topmost Greenfield FDI destinations, January-June, 2015

Source: Financial Times – FDI markets

## 1st among 100 countries on the Growth, Innovation and Leadership Index

Source: Frost & Sullivan

1st among the world's fastest growing economies

Source: International Monetary Fund

1st among 110 investment destinations polled globally

Source: Foreign Policy Magazine - Baseline Profitability Index – 2015

7<sup>th</sup> most valued national brand in the world

Source: Brand Finance

## 48% increase in FDI inflows

Source: Department of Industrial Policy & Promotion, GoI

## Why India ???

---

- **GDP and Growth:** GDP (2014) US \$ 2.0 trillion; GDP growth rate 7.3% [2015]; In the current Fiscal year – 2015-16 the growth is expected to be 7.8% [Asian development Bank]; 1st among the world's fastest growing economies; India's growth has outpaced China's and will be the fastest large economy with 9-10% growth over the next 20-25 years (Morgan Stanley); India's economy will grow fivefold in the next 20 years (McKinsey).
- **FDI Magnet:** 1st among the world's most attractive investment destinations; 48% increase in FDI inflows; Jumped 12 positions in Ease of Doing Business 2016 List; Moved up 16 places in the Global Competitiveness Index 2015-16;
- **Competitive Advantages:** Low labour costs; Labour force of 530 million; Large pool of skilled manpower; Strong knowledge base with significant English speaking population; 7th most valued national brand in the world.
- **Demographic Dividend:** Young country with a median age of 30 years by 2025; Largest young human capital base of 550 million under 25 years; Population in working age group (15-59 years) to increase from 58% in 2001 to more than 64% by 2021. World's largest democracy with 1.29 billion people; Literacy 74.04%.

## Why India ???

---

- **Huge untapped market potential:** Rapid urbanization fostering growth; Growing domestic consumer base; Urban population will double from 2001 figure of 290 million to 590 million by 2030 (McKinsey).
- **Regulatory Framework:** Visionary strategic direction; Strong economic reforms, Progressive simplification and rationalization of Direct and Indirect Tax structures.
- **Political Stability:** Robust banking and financial institutions; Investor friendly policies & incentive based schemes; Stable political environment & responsive administrative set up; Well established judiciary to enforce rule of law.
- **Abundant Natural Resources:** Coal, iron ore, manganese ore, mica, bauxite, petroleum, titanium ore, chromite, natural gas, magnesite, limestone, arable land, dolomite, barytes, kaolin, gypsum, apatite, phosphorite, steatite, fluorite.
- **Strength Sectors:** Pharmaceuticals; Food Processing; Textiles; Automobiles and Auto Components; Industrial Equipment & Machinery; Infrastructure Development.
- **Growth Sectors:** IT & Electronics; Chemicals & Petrochemicals; Aerospace & Defence; Construction Equipment, Materials & Technology.

# Make in India initiative

**To promote India as the most preferred global manufacturing destination to propel sustainable growth; facilitate investment, foster Innovation, enhance skill development, protect Intellectual property and build best-in-class manufacturing infrastructure by**

- Making India the easiest and simplest place to do business
- Eliminating paperwork, processes, procedures, rules & acts
- Using technology to leapfrog
- Converging & integrating Government departments
- Facilitating investment
- Fostering Innovation
- Enhancing skill development
- Protecting Intellectual property
- Building best-in-class manufacturing infrastructure.

# Make In India

## National Manufacturing Policy (NMP):

### NMP Objectives:

- Promote investments in the manufacturing sector
- Make India a hub for both domestic and international markets
- Increase the share of manufacturing in **GDP to 25% by 2022**
- To enhance global competitiveness of India's manufacturing sector

- NMP proposes setting up of **National Investment and Manufacturing Zones (NIMZs)** which are located in areas with contiguous land of 5,000 hectares.
- NIMZs would be a combination of production units, public utilities, logistics, environmental protection mechanism, residential areas and administrative services.

### Sectors of Strategic Importance

- Defence Equipment
- Aerospace
- Ship-building & Repair
- Capital Goods & Engineering

### Sectors of Basic Inputs

- Steel
- Mineral Exploration and Development
- Fertilizer
- Cement

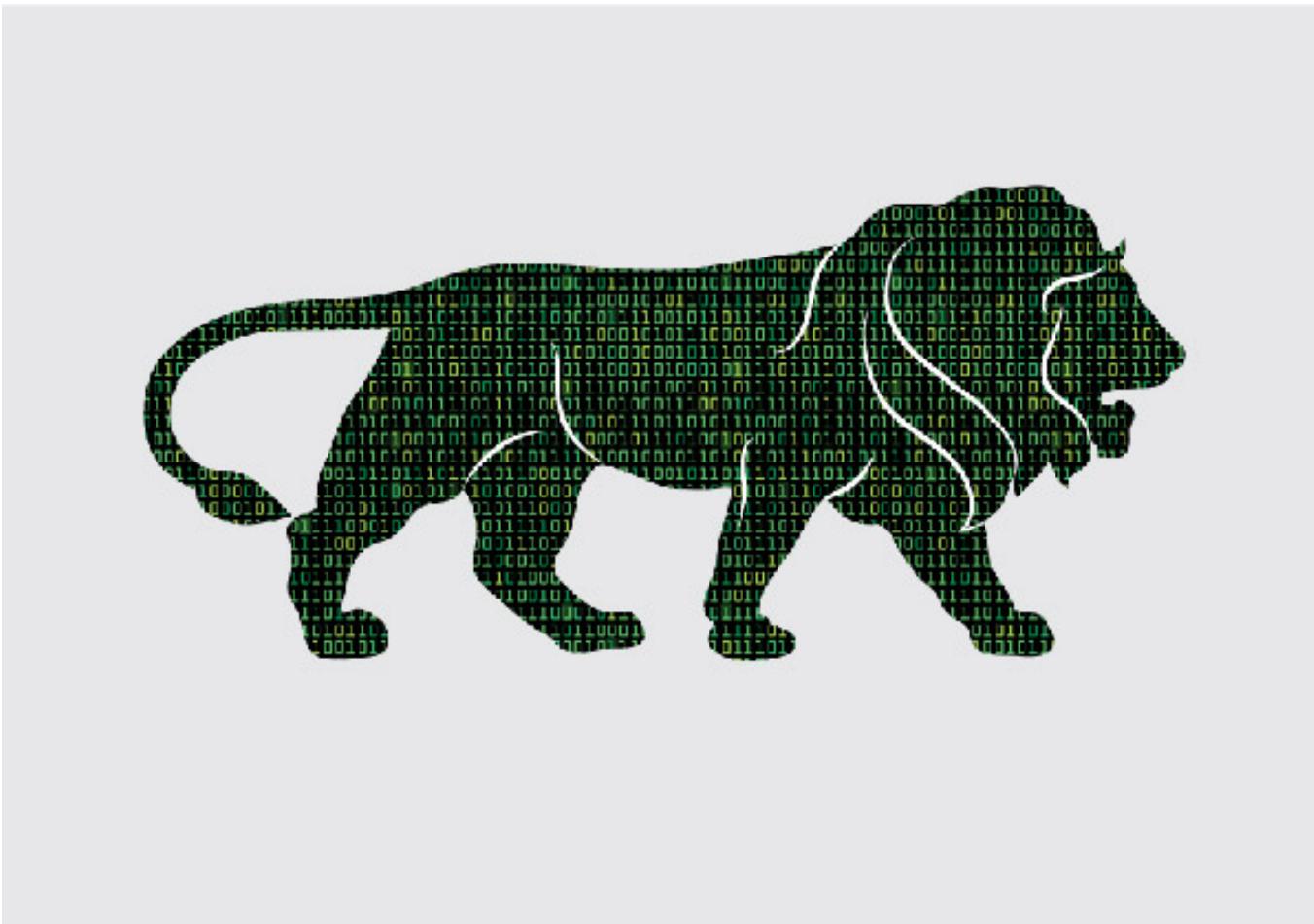
### Sectors for Depth and Value Addition

- Automotive
- Electronics
- Drugs & Pharma
- Chemical
- Petrochemicals
- Paper

### Sectors for Employment Generation

- Textiles
- Food Processing
- Leather & Leather Goods
- Gems and Jewellery

# Information Technology & BPO / BPM



# Information Technology & BPO / BPM

## SUMMARY

- **USD 146 Billion – expected 2015 revenues.**
- **USD 200 Billion in savings for companies in the last five years.**
- **640 offshore development centres for 78 countries.**
- **USD 300 Billion industry by 2020.**

## REASONS TO INVEST

- The IT-BPM sector constitutes 9.5% of the country's GDP and contributes significantly to public welfare.
- India's IT industry amounts to 55% of the global market, largely due to exports.
- 60% firms use India for testing services.
- Rapidly growing urban infrastructure has fostered several IT centres in the country.
- The Indian IT industry has saved clients USD 200 Billion in the past five years.

# Information Technology & BPO / BPM

## STATISTICS

- Exports are expected to reach USD 98.5 Billion in 2015.
- IT Services exports are USD 55 Billion and the BPM industry exports are USD 20 Billion.
- The IT industry has more than 15,000 firms; of which 1000+ are large firms.
- The IT-BPM industry is the largest private sector employer – delivering 3.5 Million jobs.
- IT-BPM accounts for 38% of India's services exports.
- IT-BPM includes 640 offshore development centres (ODCs) across around 78 countries.
- India is ranked as the 9th largest start-up hub in the world with over 3,100 start-ups.

## GROWTH DRIVERS

- Revival in demand for IT services from US and Europe.
- High-value client additions bigger than USD 1 Million – the highest in the last five years, registering 13.5% growth.
- India has been creating a future-ready digital workforce, with more than 1,50,000 employees SMAC skills.
- The SMAC (social, mobility, analytics, cloud) market is expected to grow to USD 225 Billion by 2020.
- USD 1.6 Billion is spent annually on training workforce and growing R&D spend.
- Digital India Campaign envisages a USD 20 Billion investment covering mobile connectivity throughout the country, re-engineering of government process via technology and enabling e-delivery of citizen services.

# Information Technology & BPO / BPM

## INVESTMENT OPPORTUNITIES

- The setting up of IT services, BPM, software product companies, shared service centres.
- Fast-growing sectors within the BPM domain – knowledge services, data analytics, legal services, Business Process as a Service (BPaaS), cloud-based services.
- IT Services and fast-growing sectors within it such as solutions and services around SMAC, IS outsourcing, IT consulting, software testing.
- Engineering and R&D within which the fastest growing sectors are – telecom & semiconductors.

## FOREIGN INVESTORS

- Accenture (Ireland)
- Agilent Technologies (USA)
- Atos (France)
- Capgemini (France)
- CDNS (USA)
- Cognizant (USA)
- Dell International (USA)
- HP (USA)
- IBM (USA)
- Intel (USA)
- Mentor Graphics (USA)
- Microsoft (USA)
- Oracle Corporation (USA)
- Philips (Netherlands)
- Qualcomm (USA)
- Ricoh (Japan)
- SAP (Germany)
- Steria (France)

# Manufacturing - Electrical Machinery



# Manufacturing - Electrical Machinery

## SUMMARY

- **10.5% rate of market expansion between 2007-12.**
- **14.8% yearly increase in exports in the last eight years.**

## STATISTICS

- **Estimated output by 2022 is USD 100 Billion.**
- **The market expanded at a CAGR of 10.5% over 2007-12.**
- **During the last eight years, exports have increased at a CAGR of 14.8% to touch USD 4.9 Billion in 2013-14.**

## GROWTH DRIVERS

- Capacity creation in sectors such as infrastructure, power, mining, oil and gas, refinery, steel, automotive and consumer durables are driving demand in the engineering sector.
- Nuclear capacity expansion will provide significant business opportunities to the electrical machinery industry.
- Rapid increases in infrastructure investment and industrial production will fuel further growth.
- A comparative advantage in terms of manufacturing costs, market knowledge, technology and creativity.

# Manufacturing - Electrical Machinery

## REASONS TO INVEST

- 'Power for All' scheme plans to add 88.5 GW of capacity by 2017 and 93 GW by 2022.
- Incentives for capacity addition in power generation will increase the demand for electrical machinery.
- Indian manufacturers are becoming more competitive with respect to their product designs, manufacturing and testing facilities.
- A large pool of human resources; advancements in technologies.
- Increasing scope for direct exports to neighbouring countries.
- Investments in research and development in the electrical machinery industry are amongst the largest in India's corporate sector.

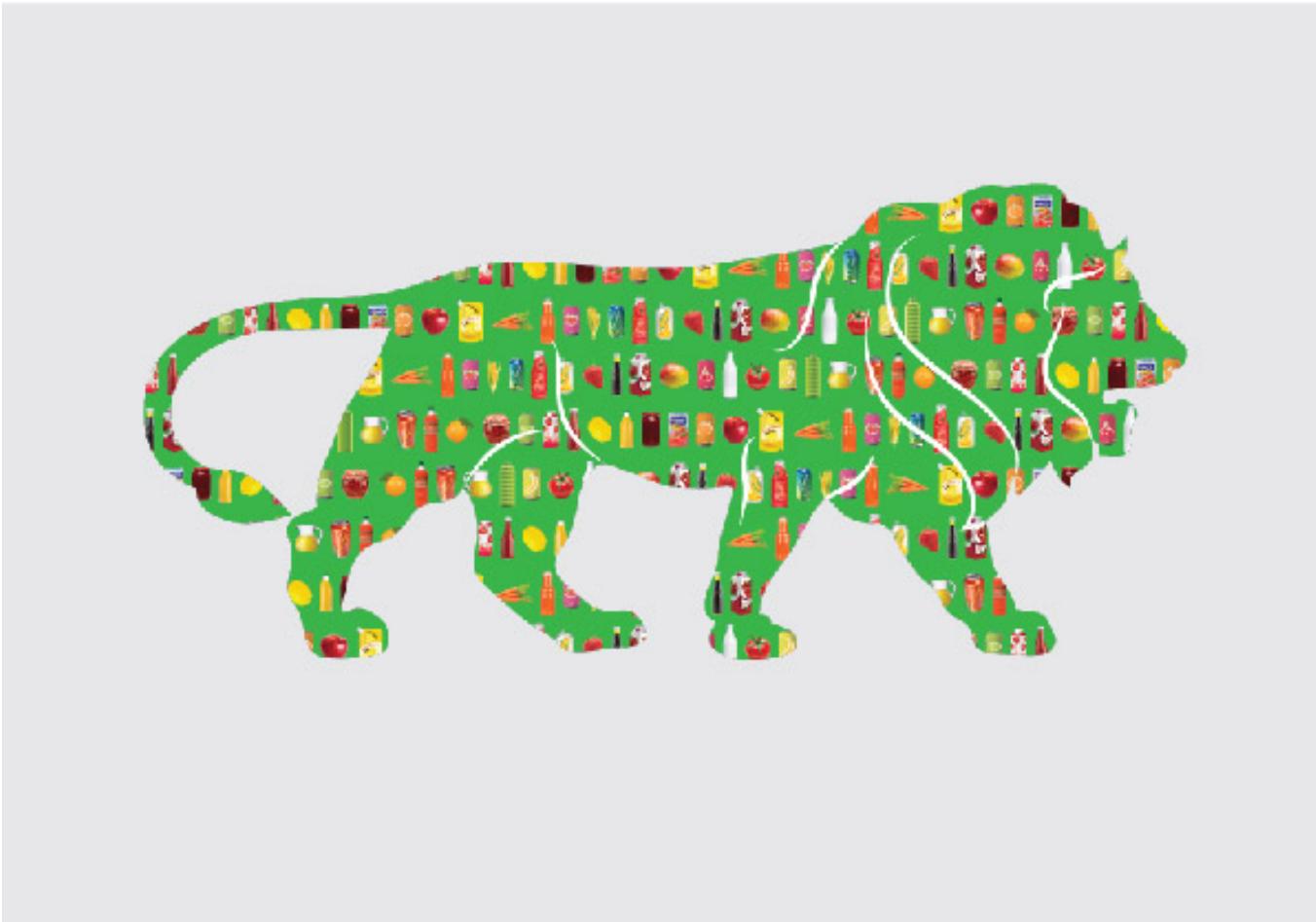
## INVESTMENT OPPORTUNITIES

- **GENERATION MACHINERY: BOILERS, TURBINES, GENERATORS** - By 2022, the generation equipment industry in India is projected to grow to USD 25-30 Billion.
- **TRANSMISSION MACHINERY** - By 2022, the T&D equipment market in India is expected to grow to USD 70-75 Billion.

## FOREIGN INVESTORS

- MHI (Japan)
- Hitachi (Japan)
- Babcock (UK)
- Alstom (France)
- Toshiba (Japan)
- Ansaldo (Italy)
- Colfax Corporation (USA)
- Schneider Electric (France)
- Legrand (France)
- GE (USA)

# Food Processing



# Food Processing

## SUMMARY

- 195.25 Million Hectares of Gross Cropped Area.
- 65.26 Million Hectare of Net Irrigated Area.
- 127 agro-climactic zones.
- 42 mega food parks being set up with an allocated investment of INR 98 Billion.

## STATISTICS

- India ranked sixth in the World in exports of agricultural products in 2013.
- The sector has grown at an average of 8.4% in last five years.
- The share of the sector in manufacturing sector was 9.8% in 2012-13.
- It is one of the major employment intensive segments contributing 13.04% of employment generated.

## GROWTH DRIVERS

- India is fast emerging as a sourcing hub of processed foods
- The rising youth population is likely to increase India's overall food consumption.
- Rising income levels, affluence and a growing middle-class.
- One-third of the population will be living in urban areas by 2020.
- Consumption in India is driven towards packaged and ready-to-eat foods.
- There is an increase in awareness and concern for wellness and health, high protein, low fat, wholegrain and organic food.
- Exports of food items have been rising steadily.

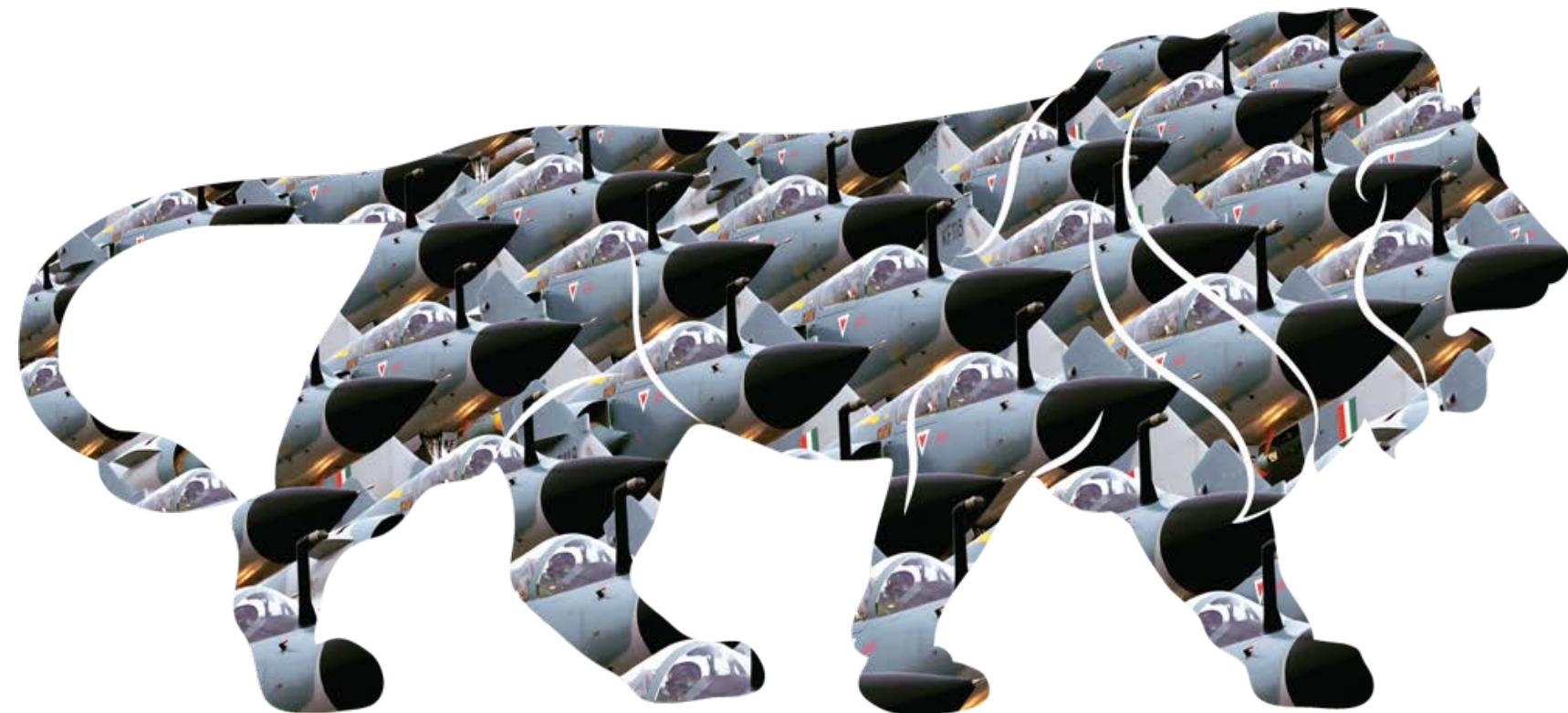
# Food Processing

## REASONS TO INVEST

- No. 1 in the world in production of bananas, mangoes, papayas, chick peas, ginger, lemons & limes, whole fresh buffalo milk, goat milk and buffalo meat.
- No. 2 in production of sugarcane, dry beans, lentils and safflower oil. Third position in the production of cabbages, cashew nuts, cauliflower, coconuts, garlic, onions, green peas, potatoes, rice paddy, tea, wheat and tomatoes.
- Strategic geographic location and proximity to food-importing nations.
- Extensive network of training, academic and research institutes.
- 42 mega food parks are being set up at an investment of INR 98 Billion.
- The cost of skilled manpower is relatively low as compared to other countries.

## FOREIGN INVESTORS

- Kraft (USA)
- Mars (USA)
- Nestle (Switzerland)
- McCain (Canada)
- Danone (France)
- Ferrero (Italy)
- Del Monte (USA)
- Kagome (Japan)
- Kellogg (USA)
- Pepsi (USA)
- Unilever (Anglo Dutch)
- Perfetti (Italy)
- Cargill (USA)
- Coca Cola (USA)
- Hershey (USA)



# DEFENCE MANUFACTURING

# Facts & Figures

---

- India has the world's 8th largest annual Defence Budget
- Allocation of about 1.8% of its Gross Domestic Product (GDP) towards defence spending, of which 40% is allocated to capital acquisitions.
- Huge opportunity in Capital procurement by Armed Forces and Homeland Security during next 7 years( >US\$ 200 Bn)
- Presently about 70% of its defence requirements are met through imports.

# Opportunities under Make in India: Defence Manufacturing

---

- The Indian aerospace and defence market is among the most attractive globally and the Government is keen to leverage this in order to promote Defence Manufacturing
- Opportunities to avail defence offset obligations for technology up-gradation
- Preference to 'Buy (Indian)' and 'Buy and Make (Indian)' over 'Buy (Global)' and 'Buy and Make (Global)' to attract foreign investment & indigenization of latest technology
- Promote India as a Manufacturing hub

## WIN-WIN FORMULA FOR IMPORT SUBSTITUTION & EXPORT PROMOTION

# Foreign Direct Policy

---

- FDI in Defence Sector raised from 26% to 49%
- Above 49% FDI, with the approval of Cabinet Committee on Security (CCS) in case of induction of modern and 'state-of-art' technology
- Portfolio investments upto 24% under automatic route\*
- Condition of ownership of 51% shareholding by single largest Indian shareholder removed\*

# Renewable Energy



# Renewable Energy

## SUMMARY

- Fifth largest power generation portfolio.
- Fifth largest wind energy producer.
- 271.722 GW of installed capacity.
- Target of 1,00,000 MW of solar power by 2022.

## STATISTICS

- India's Annual Solar installations to grow over four times by 2017. 10.86 GW of solar capacity will be added by 2016-17.
- India is world's 5<sup>th</sup> largest wind energy producer with 23.44 GW capacity.
- Government of India has set targets to take the total renewable capacity to almost 175 GW by the end of 2022. This includes 60 GW from wind, 100 GW from solar, 10 GW from biomass and 5 GW from small hydro.

## GROWTH DRIVERS

- India is the fourth largest importer of oil and the 15th largest importer of petroleum products and LNG globally.
- Renewable energy is becoming increasingly cost-competitive compared to fossil fuel-based generation.
- Wind energy equipment prices have fallen dramatically due to technological innovation, increasing manufacturing scale and experience curve gains.
- Prices for solar modules have declined by almost 80% since 2008 and wind turbine prices have declined by more than 25% during the same period.
- Government has created a liberal environment for foreign investment in renewable energy projects.

# Renewable Energy

## REASONS TO INVEST

- India has the fifth largest power generation portfolio worldwide with a power generation capacity of 271.722 GW.
- Economic growth, increasing prosperity, a growing rate of urbanisation and rising per capita energy consumption has widened access to energy in the country.
- Current renewable energy contribution stands at 77 GW of the total installed capacity of 271.722 GW.
- Wind energy is the largest renewable energy source in India. India aims to generate 1,00,000 MW of solar power by 2022.
- The country offers unlimited growth potential for the solar PV industry.

## FOREIGN INVESTORS

- Suzlon
- Enercon
- Vestas
- RRB
- NEG
- Micon
- Applied Materials (USA)

India is building  
**SOLAR CANALS**  
to produce energy while  
slowing water loss



*The 600MW Charanka  
Solar Park in Gujarat,  
India is the largest single  
solar power field in Asia.*



# Industrial Corridors



## DELHI-MUMBAI INDUSTRIAL CORRIDOR

### Taking the Road to Growth

A mix of road, rail, port and airport, the Delhi-Mumbai Industrial Corridor is set to change the business landscape

- DMIC Alignment
- Delhi-Mumbai Passenger Rail Link
- Feeder Rail Linkages

\$ 90 billion infrastructure running from Delhi to Mumbai

1483 kms project is backed by financial & technical aid from Japan

₹ 18,500 cr revolving fund will help in planning projects along the corridor



7 new mega cities to be created along the freight corridor  
It includes 9 mega industrial zones, high speed freight line, three ports, and six airports

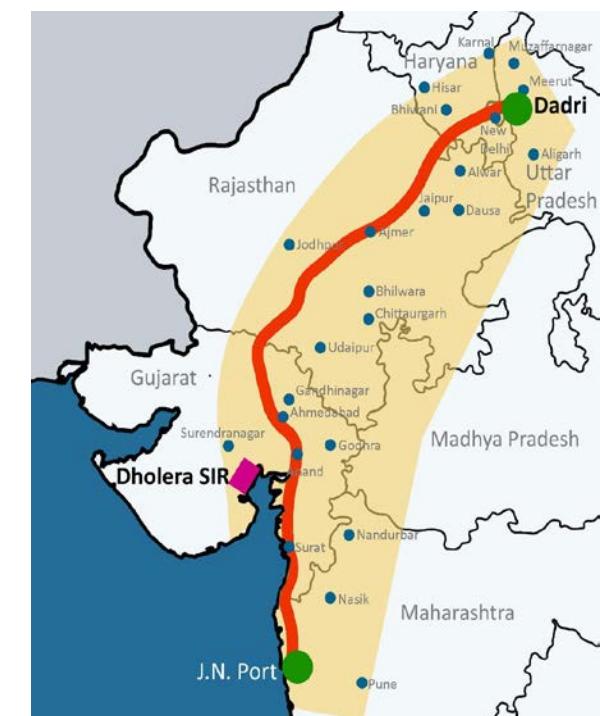
DMIC covers a length of **1,483 km** and passes through the **6 States** – Uttar Pradesh, Delhi, Haryana, Rajasthan, Gujarat and Maharashtra.

The project includes a dedicated “**Freight Corridor**” on which will be operated 25 ton double stacked container trains supported by high power locomotives.

The freight corridor will run parallel to the Delhi-Mumbai national highway project.

A band of 150 km has been chosen on both sides of the Freight corridor to be developed as the Delhi-Mumbai Industrial Corridor.

**DMIC project offers investment opportunities in the automotive, electrical and electronics, pharmaceutical and heavy machinery sectors.**





Thank  
You

