TRANSFORMING INDIA
India: Leader across diverse sectors

#1 Attractive investment destination

#2 Smartphone market

#1 IT/BPM services sourcing market

#2 Largest startup ecosystem**

#1 E-commerce market growth

#1 Commercial vehicle market growth

#2 Food production

#1 Provider of generic drugs

#1 Choice for overseas R&D destinations*

#2 Largest road network

#1 Domestic air traffic growth

#2 Largest pharma & biotech talent pool

*No. 1 choice for tech MNCs to set up R&D centers outside their home countries

**Based on total number of startups (including tech startups) sourced from FICCI report

Sources: Make in India achievement report; FICCI; OICA; MOFPI; EY; IBEF; NHAI; IATA; Morgan Stanley; HfS Research
USD 194B FDI from 2014-17: accounts for more than one-third of total FDI over last 17 years

Largest democracy
>550M voted in 2014

One of the largest economies
GDP of USD 5T by 2025

Young workforce
480M in 15-34 age group by 2025

Resource rich
Largest area of arable land, Fourth-largest for coal, aluminum and iron ore production

Sources: Ministry of Statistics and Programme Implementation; Election Commission of India; DIPP; World Bank; BP Statistical Review; US Geological Survey
Continuous enhancement in global benchmarks

Factors of change

Strong political will

Clear national vision

Focus on execution

Ease of doing business, 2018
42 places
since 2015
(100/190)
World Bank

Global Competitiveness Index, 2017-18
31 places
since 2014
(40/137)
WEF

Moody’s rating upgrade, Nov 2017
First upgrade in 14 years
outlook changed from stable to positive
Moody’s

Global Innovation Index, 2017
21 places
since 2015
(60/127)
Cornell, INSEAD, WIPO

Logistics Performance Index, 2016
19 places
since 2014
(35/160)
World Bank

Greenfield FDI ranking, 2016
1st rank
for two consecutive years
Financial Times

Growth, Innovation and Leadership ranking, 2015
1st rank
(1/100)
Frost and Sullivan

Sources: World Bank; WEF; INSEAD; Frost and Sullivan; The Economist; Global Innovation Index; Bloomberg
Japan-India: A Lasting Friendship

**Japanese FDI Into India**
- 8% of total FDI; 3rd largest investor
- $26.9 billion (cumulative)
- $4.7 billion in FY17 – highest in 1 year
  - DMICDC
  - Mumbai – Ahmedabad high speed train
  - 4 Locations finalized for Japanese Industrial townships

**Focus Sectors**
- Food Processing
- Automobiles & Auto-components
- Logistics

**Major Companies**
- Honda
- Panasonic
- Fujitsu
- Suzuki
- HCL
- Larsen & Toubro
- Wipro
- Infosys

**Exports to Japan:** $3,845 million (2016-17)
**Imports from Japan:** $9,754 million (2016-17)

**Key Projects**
- DMICDC
- Mumbai – Ahmedabad high speed train
- 4 Locations finalized for Japanese Industrial townships

**Bilateral Trade**
- Exports to Japan: $3,845 million (2016-17)
- Imports from Japan: $9,754 million (2016-17)
Construction: The Big Picture

Growing Market

- 2nd Highest FDI after services sector (2000-17)
- $1T by 2025
- Largest Employer in India by 2022: $75M
- 250 sub-sectors
- Linkages across sectors

LEADING GLOBAL POSITION

3rd largest Globally by 2025

ENABLING ECOSYSTEM

100% FDI in Construction Development

- Easy transfer of ownership between foreign investors
- Relaxed entry and exit norms for construction-development projects

POLICY SUPPORT

- Smart Cities (100 Smart Cities with outlay of $32 Bn)
- Swachh Bharat Abhiyaan (60 million toilets by 2022)
- Affordable Housing (granted Infrastructure Status)
- Housing for All 2022 (20 Mn Urban houses and 40 Mn Rural Houses)
- AMRUT ($7.5 Bn Capex to transform 500 cities)
# Upcoming Tenders under the Smart Cities Mission

<table>
<thead>
<tr>
<th>Smart City</th>
<th>Details of Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faridabad</td>
<td>Command and Control Centre, CCTV Surveillance, Smart Traffic Solution</td>
</tr>
<tr>
<td>Jaipur</td>
<td>Infrastructure and Renovation Works for 26 Schools</td>
</tr>
<tr>
<td>Jabalpur</td>
<td>Construction of Cultural &amp; Information center with Interior, Electrical, HVAC, Plumbing, Fire Fighting</td>
</tr>
<tr>
<td>Jaipur</td>
<td>Pedestrianization</td>
</tr>
<tr>
<td>Kota</td>
<td>Installation of Automatic Sanitary Napkin Vending Machines &amp; Incineritors</td>
</tr>
<tr>
<td>Kanpur</td>
<td>Installation Of Open Air Gym (Outdoor) Equipment</td>
</tr>
<tr>
<td>Mangaluru</td>
<td>Laying Of Underground Drainage Network</td>
</tr>
<tr>
<td>Mangaluru</td>
<td>Construction Of Smart Bus Shelter And E-Toilets</td>
</tr>
<tr>
<td>Ujjain</td>
<td>Supply, Install and Maintain Smart Bio Toilets</td>
</tr>
<tr>
<td>Solapur</td>
<td>Construction Of 4 Lane Flyovers</td>
</tr>
<tr>
<td>Bhubaneswar</td>
<td>Public Bicycle Sharing System</td>
</tr>
<tr>
<td>Jabalpur</td>
<td>Development of Multi-Sports Complex</td>
</tr>
</tbody>
</table>

Details of all upcoming tenders: [https://smartnet.niua.org/tenders](https://smartnet.niua.org/tenders)
Growing Market

Market Size USD BN

- 2015: 144 USD BN
- 2017E: 224 USD BN
- 2025E: 403 USD BN

- 100% FDI allowed
- FDI: $14.4BN (’00-’17)
- 2.11% of GDP
- 70,000 commercial products

Chemicals: OVERVIEW

LEADING GLOBAL POSITION

- 3rd largest consumer of polymers
- 3rd largest producer of agrochemicals
- 7th largest producer globally
- 3rd largest producer in Asia
- 16% of dyestuff production

ENABLING ECOSYSTEM

- Scheme for Plastic Parks: 10 approved
- National Fertilizer Policy
- 4 approved Petroleum, Chemical and Petrochemical Investment Regions (PCPIRs)
- Skill development institutes: CIPET

Most of the growth in Chemicals in the past 25 years has been driven by Asia, which now owns almost half of global chemical sales.
FOOD PROCESSING: OVERVIEW

Growing Market

Market Size USD BN

- 2015: 258 USD BN
- 2020E: 482 USD BN

- 100% FDI allowed
- FDI: $727 MN (’16-’17)
- 127 Agro Climatic Zones
- 14% of GDP

LEADING GLOBAL POSITION

- 1st: Milk, Spices, Millets, Livestock Population
- 2nd: Fish, Rice, Wheat, Cereals, Fruits & Vegetables, Total Food Production

ENABLING ECOSYSTEM

- 9 Operational Food Parks
- 111 Operational Cold Chains
- 60 Agri-Export Zones
- $1.2bn NABARD funding for Dairy Processing
- $1 bn Pradhan Mantri Kisan SAMPADA Yojana
- $300 mn NABARD funding for Food Parks

GROWING EXPORTS (USD bn)

- FY 15: 31 USD bn
- FY 20 (E): 100 USD bn
Food processing: Food Parks

Foreign Investments
- Asia
- Europe
- America
- UAE

Domestic Companies
- Mega food parks

Places:
- Fazlika, Punjab
- Haridwar, Uttarakhand
- Khargaon, Madhya Pradesh
- Ranchi, Jharkhand
- Nalbari, Assam
- Rayagada, Odisha
- Jangipur, West Bengal
- Tumkur, Karnataka
- Chittoor, Andhra Pradesh
- Ranchi, Jharkhand
- Khargaon, Madhya Pradesh
- Haridwar, Uttarakhand
- Nalbari, Assam
- Rayagada, Odisha
- Jangipur, West Bengal
- Tumkur, Karnataka
- Chittoor, Andhra Pradesh

Mega food parks
Growing Market

Market Size USD BN

2015 258
2020E 482

LEADING GLOBAL POSITION

#2 Bus manufacturer
#6 Car Manufacturer
#2 Two-wheeler manufacturer

ENABLING ECOSYSTEM

- Automotive Mission Plan 2016 - 2026
- Vehicle Penetration: 72 vehicles / 1000 (2025)
- Bharat Stage VI by 2020

✓ 100% FDI allowed
✓ 7.1% of GDP
✓ 49% of manufacturing GDP

Automobile: OVERVIEW
Auto Components

Auto Components Turnover (USD billion)

<table>
<thead>
<tr>
<th>Year</th>
<th>Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY13</td>
<td>39.7</td>
</tr>
<tr>
<td>FY14</td>
<td>35.1</td>
</tr>
<tr>
<td>FY15</td>
<td>38.5</td>
</tr>
<tr>
<td>FY16E</td>
<td>66</td>
</tr>
<tr>
<td>FY20E</td>
<td>99</td>
</tr>
<tr>
<td>FY21E</td>
<td>115</td>
</tr>
</tbody>
</table>

Exports Turnover (USD billion)

<table>
<thead>
<tr>
<th>Year</th>
<th>Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 - 11</td>
<td>6.6</td>
</tr>
<tr>
<td>2011 - 12</td>
<td>8.8</td>
</tr>
<tr>
<td>2012 - 13</td>
<td>9.7</td>
</tr>
<tr>
<td>2013 - 14</td>
<td>10.2</td>
</tr>
<tr>
<td>2014 - 15</td>
<td>11.2</td>
</tr>
<tr>
<td>2015 - 16</td>
<td>10.8</td>
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GROWTH DRIVERS

High export potential with 20% CAGR (2016-2020)

Auto parts aftermarket to more than double from USD 6.8 billion (2016) to USD 16.5 billion by 2021

High domestic manufacturing potential: US$ 5 bn/year worth of automotive imports
AUTOMOBILE CLUSTERS

- NCR
- Haryana - Rajasthan
- Gujarat
- Madhya Pradesh
- Mumbai-Pune
- Andhra Pradesh - Chennai -
**LOGISTICS & WAREHOUSING: Overview**

**Growing Market**

<table>
<thead>
<tr>
<th>Market Size</th>
<th>USD BN</th>
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<tbody>
<tr>
<td>FY 2016</td>
<td>1004.16</td>
</tr>
<tr>
<td>FY 2018e</td>
<td>1250.63</td>
</tr>
<tr>
<td>FY 2020e</td>
<td>1222.9</td>
</tr>
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</table>

- **12.17% CAGR**
- **35 Multi-Modal Logistic Parks** planned by the government
- **839 mn sq ft** warehousing space demand by 2020

**Logistics sector** granted **infrastructure status** enabling easier and cheaper access to funding. Cold chain and warehousing also included in logistics infrastructure.

**Warehousing space requirement** in the country’s top 7 markets expected to grow from 621 mn sq ft in 2016 to **839 mn sq ft by 2020**

**Warehousing requirements of the e-tail** segment will more than double from 14 mn sq ft in 2016 to **29 mn sq ft in 2020**

Currently, **17 mn sq ft** of space is transacted annually in the top 7 warehousing markets of the country

With investment returns of **22-24% per annum**, Pune offers the **best investment opportunity in India** today

The **auto & auto ancillary and chemical & pharmaceutical sectors** are the **largest demand drivers** of warehousing space
Logistics: Government Policies & Initiatives

- All indirect taxes at multiple levels subsumed after GST
- Lower transit time, increased truck utilization and reduced transport cost

- Implementation of a National Integrate Logistics Policy under a single Authority
- Construction of 50 economic corridors, upgradation of key feeder & inter-corridor routes

- Eastern & Western Dedicated Freight Corridors (DFCs) with average freight train speed of 100 kmph
- Crisscrossing the length and breadth of country in next 8 years

- 35 Multimodal Logistic Parks (MMLPs) envisioned by the government
  - Private players invited to construct and operate on land provided by government, which will provide trunk infrastructure

- Develop 10 coastal economic regions, improving existing ports, building new ports
  - Effective sea-side infrastructure (CFS, DFC etc.) to connect ports

Source: Multiple Websites, Transport Corporation of India report
Growing Market

Total Asset Size
USD TN

- 2015: 1.96
- 2025E: 28.5

1.96
28.5

✓ Higher Disposable Incomes & Savings
✓ Low Insurance Penetration
✓ Higher Incidence of

**ENABLING ECOSYSTEM**
- 74% FDI in Private Banks
- 49% FDI in Insurance
- 100% FDI in Asset Reconstruction
- Life Insurance Cos with >10 yrs of operations now allowed to go public by IRDA
- Pradhan Mantri Jan Dhan Yoana
- Pradhan Mantri Suraksha Bima Yojana (Accident insurance)
- Pradhan Mantri Jeevan Jyoti Bima Yojana (Life Insurance)
- Pradhan Mantri Fasal Bima Yojana

**OPPORTUNITIES**
- Banking sector expected to finance significant part of USD 1 trillion infrastructure
- Digital Payments Industry to grow to $500 billion by 2020
- $100-500 bn opportunity in Distressed Asset Funds
- India’s Ultra High Net Worth Population to double by 2020
INVEST INDIA: ONE STOP SHOP

GOVERNMENT
- Centre / States
- Foreign Missions / Agencies

INDUSTRY
- Associations / Corporates
- Professional Advisors / Academia

Awareness & Engagement
- Opportunity Assessment

Business Advisory
- Partner / Location Search
- Market Strategy

Strategy & Implementation
- Regulatory Clearances
- Policy Guidance

Investor Aftercare
- Issue Redressal

Long term partnership
- Continuous Engagements
- Best Investment Deal for IUIH 2016

1 UNCTAD Award for World’s Best Practice IPA 2016
1 Best IPA in South Asia, East Asia, Oceania 2016, 2017
1 Best Investment Deal for IUIH 2016
Government Agency To Support Investments

**PRE-INVESTMENT STAGE**

1. Opportunity Assessment
2. Market Strategy/ Business Advisory
3. Policy Guidance
4. Subsidy/ Incentive Advisory

Fact-based inputs for strategy formulation

**INVESTMENT EXECUTION**

1. JV & Strategic Partner Search
2. Corporate & Industry Introductions
3. Site Identification
4. Entry Route Procedure Advisory
5. Regulatory Clearances

Comprehensive Facilitation

**LONG TERM PARTNERSHIP**

1. Policy Advocacy
2. Issue Redressal
3. Expansion Support

Ensuring smooth business operations