TRANSFORMING INDIA

INVEST INDIA
NATIONAL INVESTMENT PROMOTION AND FACILITATION AGENCY

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*

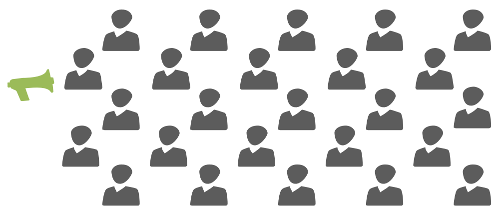
#2 Largest road network

#1 Domestic air traffic growth

#2 Largest pharma & biotech talent pool

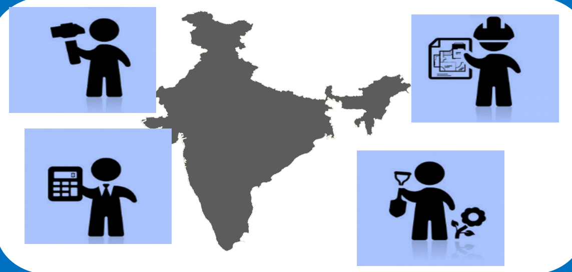
*No. 1 choice for tech MNCs to set up R&D centers outside their home countries
**Based on total number of startups (including tech startups) sourced from FICCI report
Sources: Make in India achievement report; FICCI; OICA; MOFPI; EY; IBEF; NHAI; IATA; Morgan Stanley; HfS Research

Large, burgeoning economy



Largest democracy

>550M voted in 2014

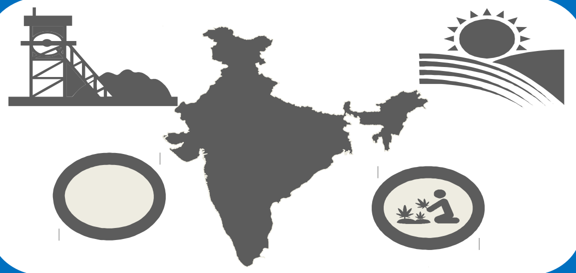


One of the largest economies

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

USD 194B FDI from 2014-17: accounts for more than one-third of total FDI over last 17 years

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

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

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

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

Growth, Innovation and Leadership ranking, 2015
(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

Bilateral Trade

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

FOCUS SECTORS

- Food Processing
- Automobiles & Auto-components
- Logistics

Major Companies

HONDA The Power of Dreams, Panasonic, FUJITSU, SUZUKI

Major Companies

HCL, LARSEN & TOUBRO It's all about Imagineering, WIPRO Applying Thought, Infosys®

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)

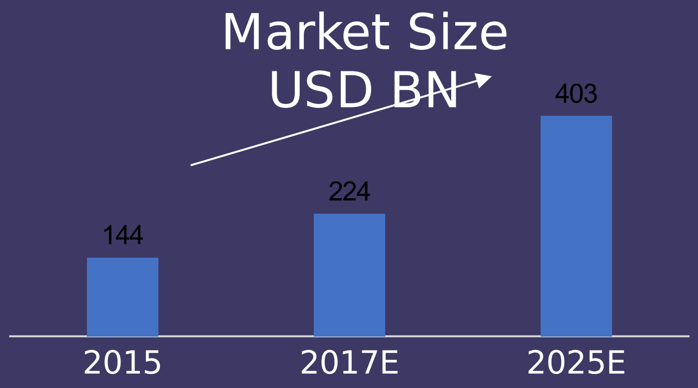
Upcoming Tenders under the Smart Cities Mission

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

Details of all upcoming tenders **https://smartnet.niua.org/tenders**

ChemicalS: OVERVIEW

Growing Market



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

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-

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

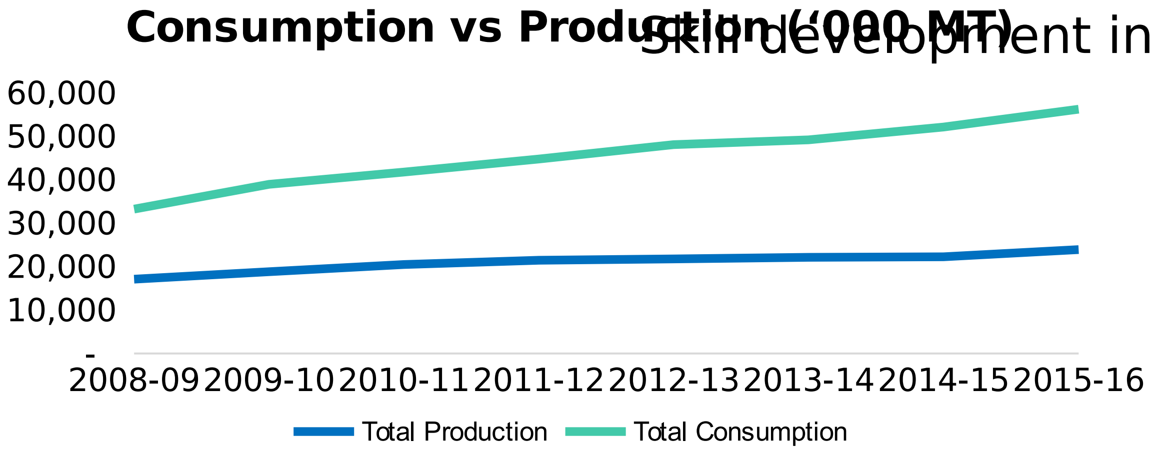
ENABLING ECOSYSTEM

Scheme for Plastic Parks: **10 approved**

National Fertilizer Policy

4 approved Petroleum, Chemical and Petrochemical Investment Regions (**PCPIRs**)

Skill development institutes: **CIPET**



ChemicalS: MAJOR CLUSTERS

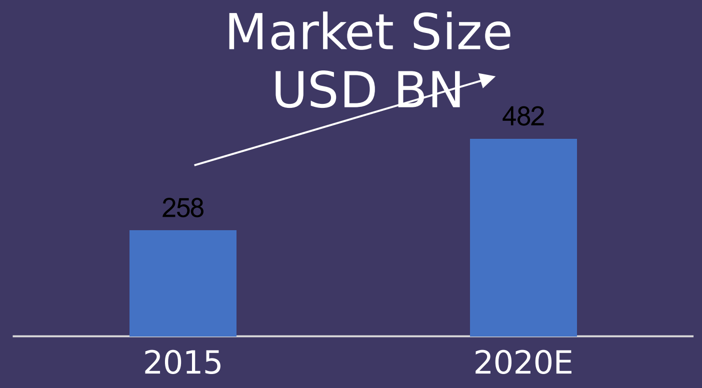
Foreign Investments

- BASF We create chemistry
- Clariant
- AkzoNobel
- syngenta
- BAYER
- LG Chem
- PRAXAIR Making our planet more productive
- Linde
- LANXESS Energizing Chemistry
- Henkel
- KANSAI NEROLAC PAINTS LIMITED
- EVONIK INDUSTRIES

*Petroleum, Chemicals and Petrochemicals Investment Region

FOOD PROCESSING: OVERVIEW

Growing Market



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

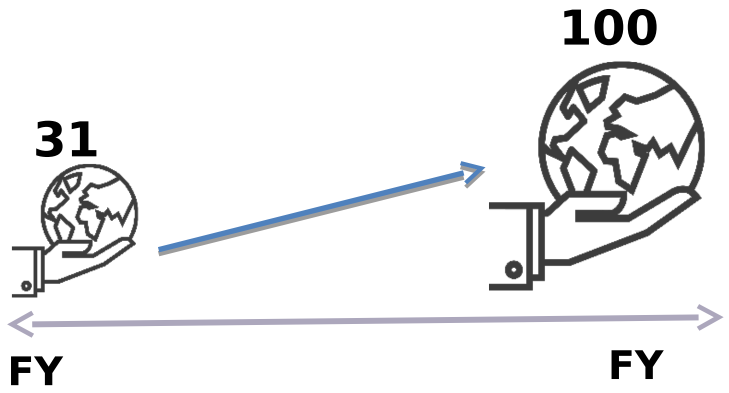
LEADING GLOBAL POSITION

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

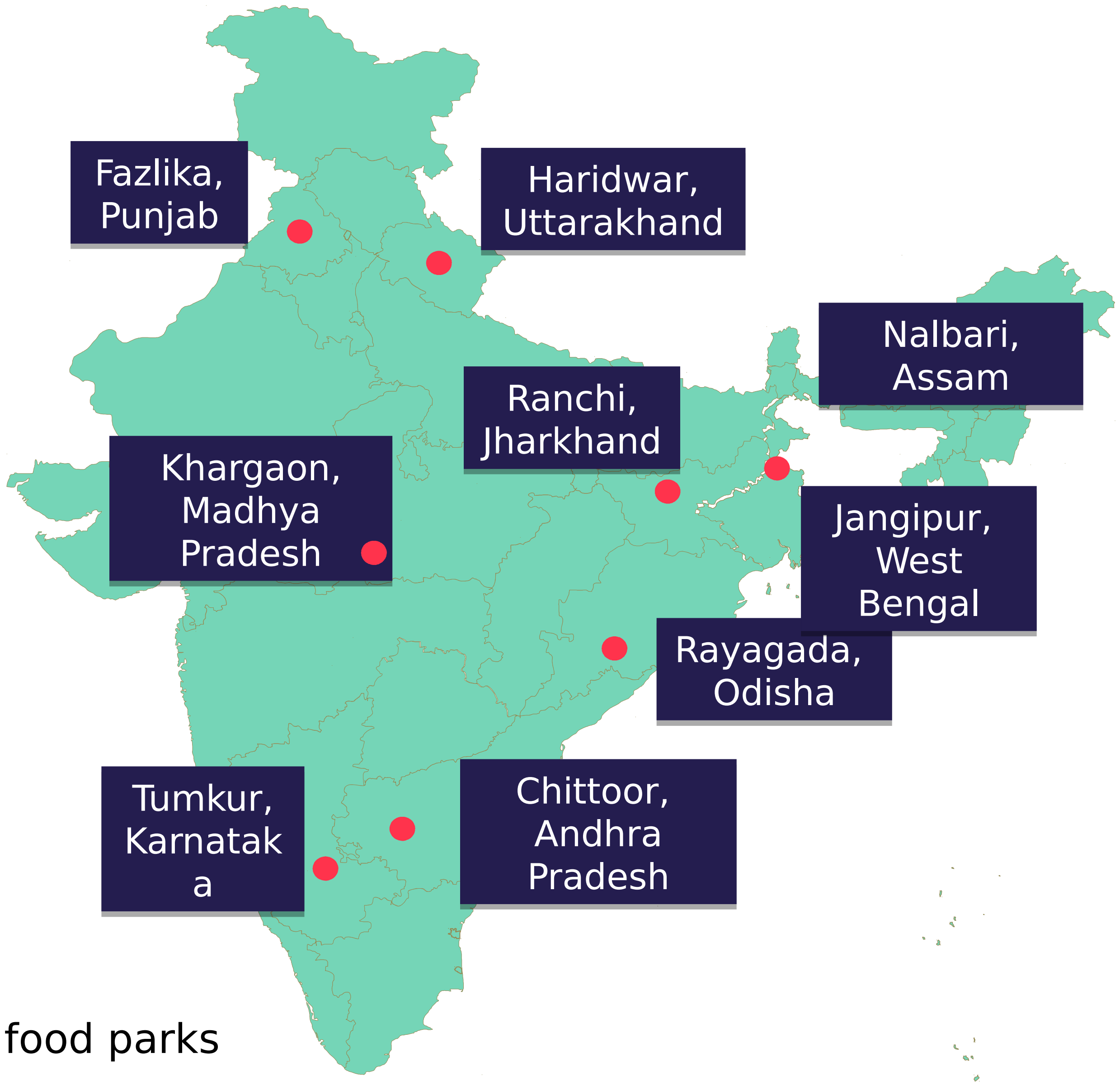
ENABLING ECOSYSTEM

- **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)



Food processing: Food Parks



● Mega food parks

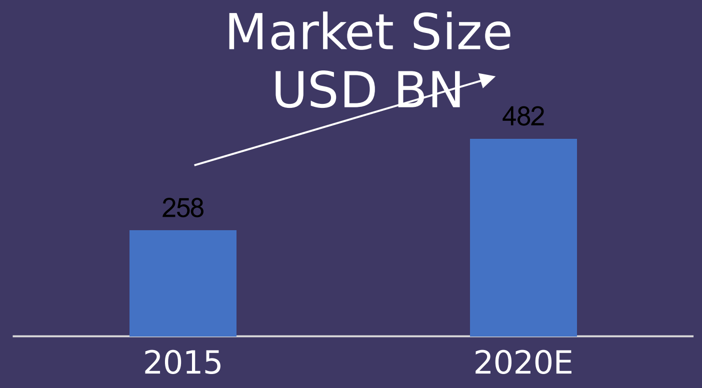
Foreign Investments

- Asia
- Europ e
- Ameri ca
- UAE

Domestic Companies

Automobile: OVERVIEW

Growing Market



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

LEADING GLOBAL POSITION

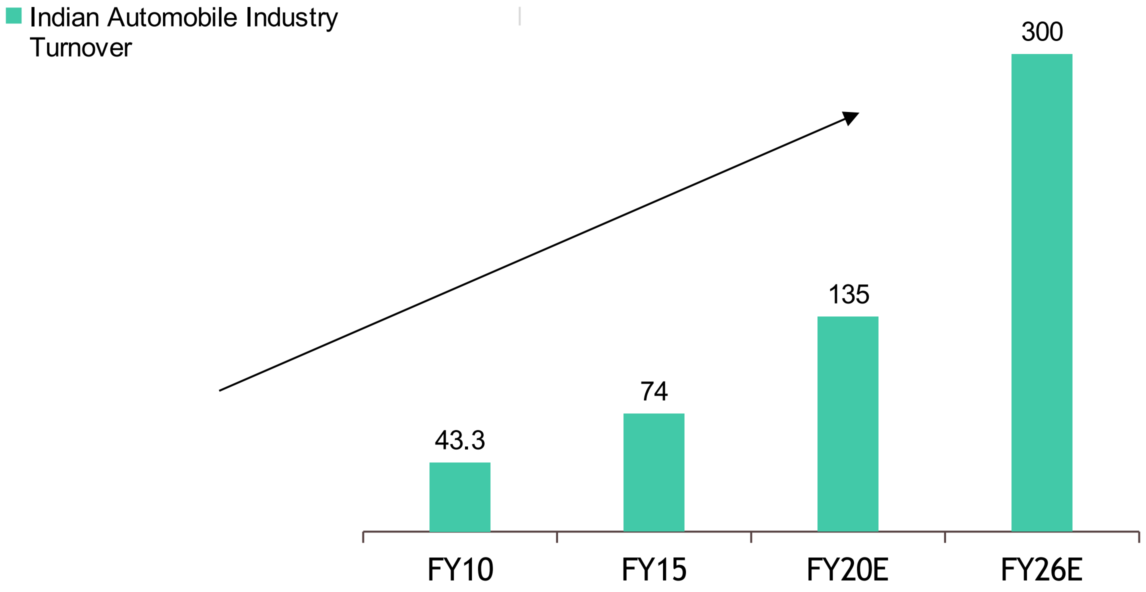
#2 Bus manufacturer

#6 Car Manufacturer

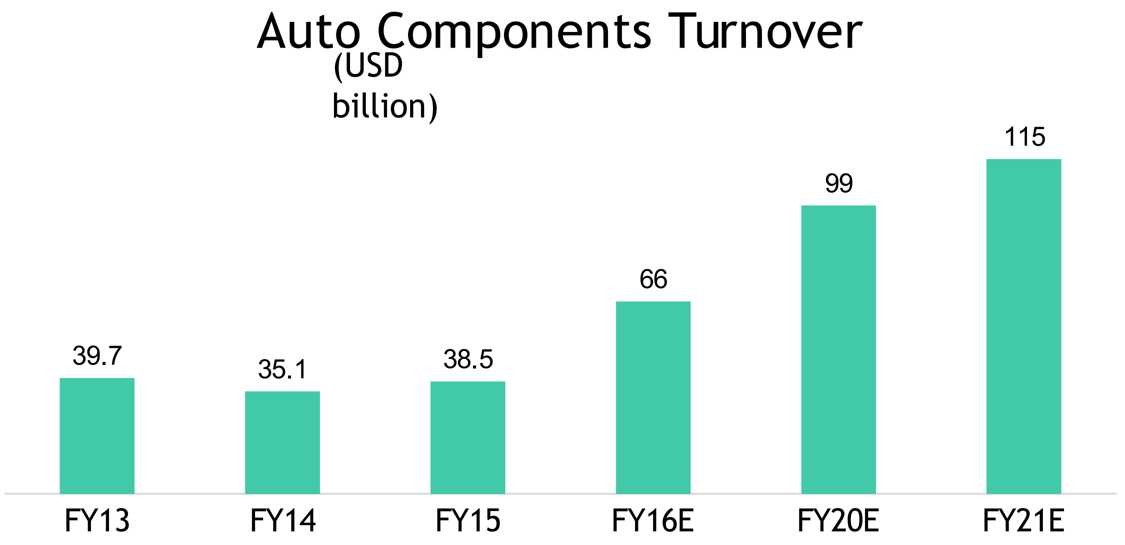
#2 Two-wheeler manufacturer

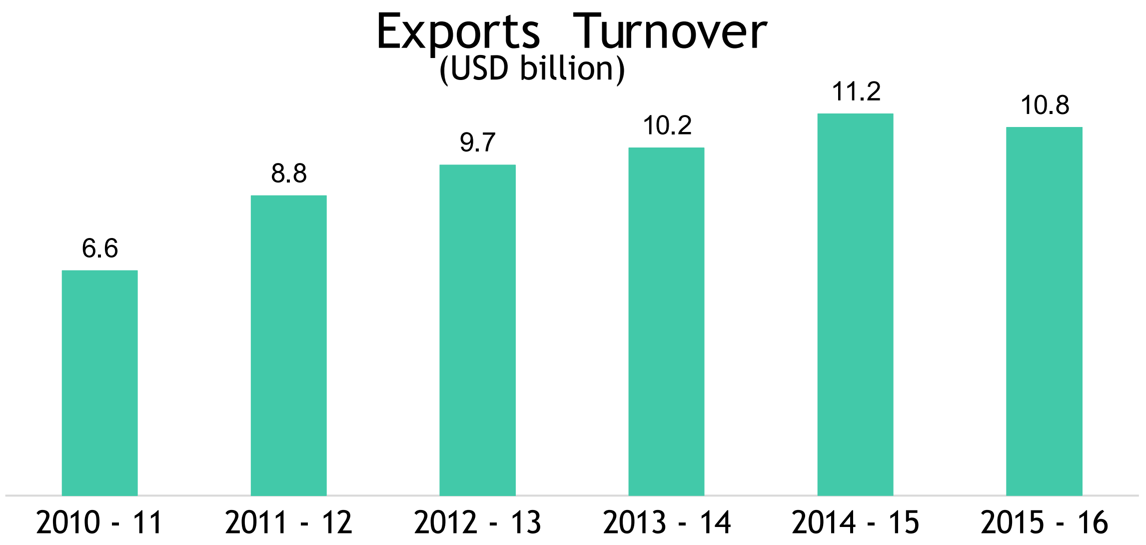
ENABLING ECOSYSTEM

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



Auto Components





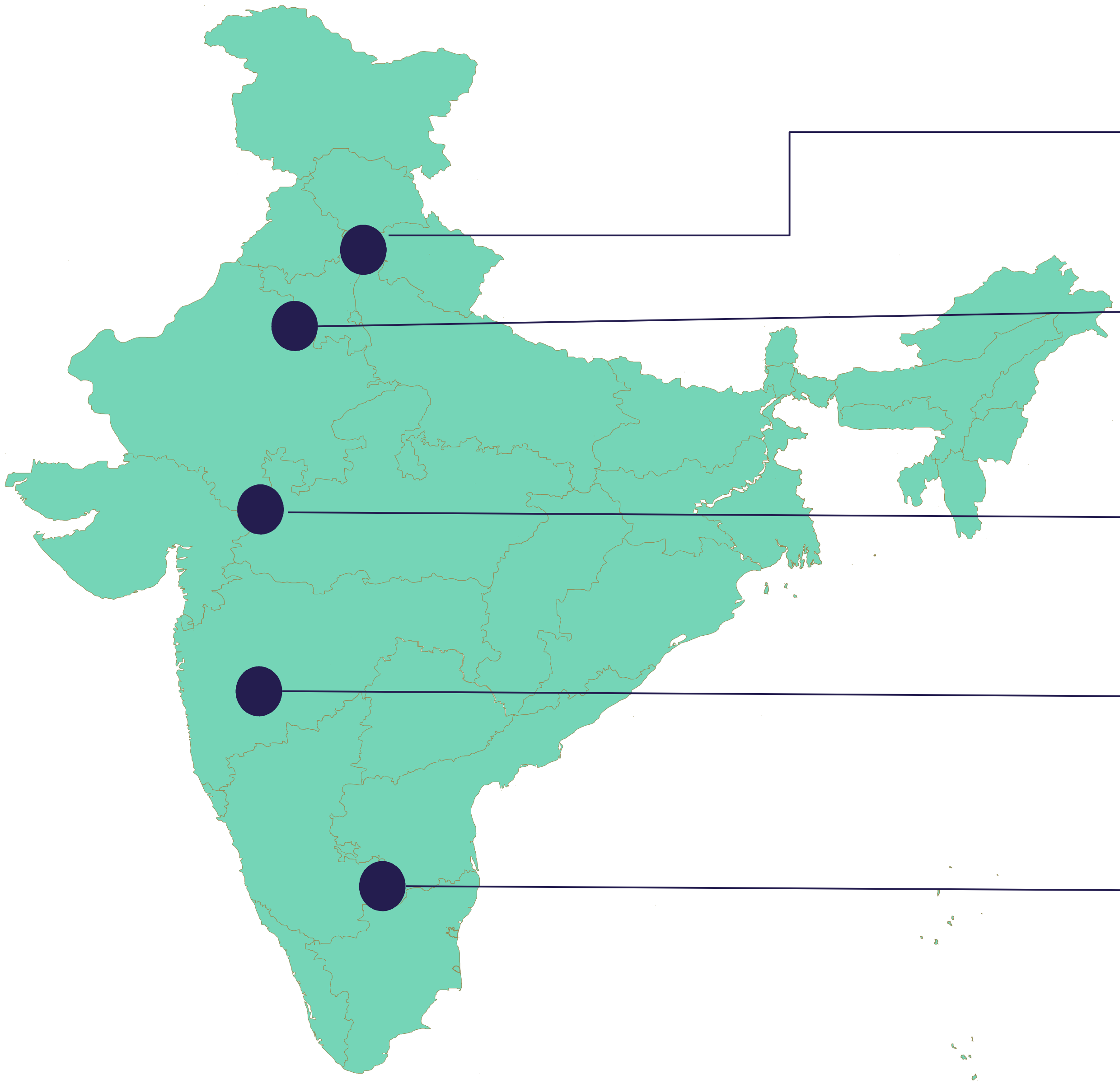
GROWTH DRIVERS

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

EICHER, YAMAHA, ESCORTS, MARUTI SUZUKI, DELPHI

Haryana - Rajasthan

HONDA The Power of Dreams, FEDERAL MOGUL, ALSTOM, EICHER, Continental, BOSCH Invented for life

Gujarat- Madhya Pradesh

Ford, Rexroth Bosch Group, CNH INDUSTRIAL, GM, TATA, Mahindra

Mumbai-Pune

FIAT, TATA, Johnson Controls, ŠKODA AUTO, Mahindra, BAJAJ

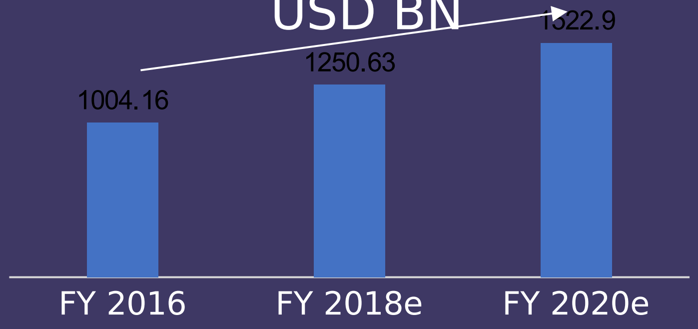
Pradesh - Chennai -

ISUZU, HYUNDAI, Ashok Leyland, Ford, Hero, BHARAT FORGE

LOGISTICS & WAREHOUSING: Overview

Growing Market

Market Size
USD BN



- ✓ **12.17% CAGR**
- ✓ **35 Multi-Modal Logistic Parks** planned by the government
- ✓ **839 mn sq ft**

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

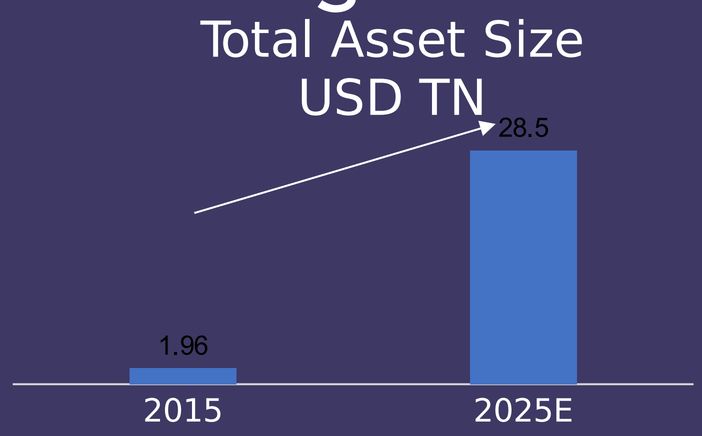
Logistics: Government Policies & Initiatives

Goods & Services Tax	• All indirect taxes at multiple levels subsumed after GST • Lower transit time, increased truck utilization and reduced transport cost
National Integrated Logistics Policy	• Implementation of a National Integrate Logistics Policy under a single Authority • Construction of 50 economic corridors, upgradation of key feeder & inter-corridor routes
Dedicated Freight Corridors	• 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
Multimodal Logistics Parks	• 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
Sagarmala Project	• 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

Banking, Financial services and Insurance: OVERVIEW

Growing Market



- ✓ 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

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

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NATIONAL INVESTMENT PROMOTION AND FACILITATION AGENCY

INVEST INDIA: ONE STOP SHOP

GOVERNMENT

Centre / States

Foreign Missions / Agencies

INVEST INDIA

NATIONAL INVESTMENT PROMOTION AND FACILITATION AGENCY

INDUSTRY

Associations / Corporates

Professional Advisors / Academia

Awareness & Engagement	Business Advisory	Strategy & Implementation	Investor Aftercare	Long term partnership
Opportunity Assessment	Partner / Location Search Market Strategy	Regulatory Clearances Policy Guidance	Issue Redressal	Continuous Engagements

1

UNCTAD Award for World's Best Practice IPA
2016

2016

1

Best IPA in South Asia,
East Asia, Oceania
2016, 2017

2016, 2017

1

Best Investment Deal for IUIH
2016

Government Agency To Support Investments

PRE-INVESTMENT STAGE	INVESTMENT EXECUTION	LONG TERM PARTNERSHIP
1 **Opportunity Assessment**	1 **JV & Strategic Partner Search**	1 **Policy Advocacy**
2 **Market Strategy/ Business Advisory**	2 **Corporate & Industry Introductions**	2 **Issue Redressal**
3 **Policy Guidance**	3 **Site Identification**	3 **Expansion Support**
4 **Subsidy/ Incentive Advisory**	4 **Entry Route Procedure Advisory**	
	5 **Regulatory Clearances**	
Fact-based inputs for strategy formulation	Comprehensive Facilitation	Ensuring smooth business operations