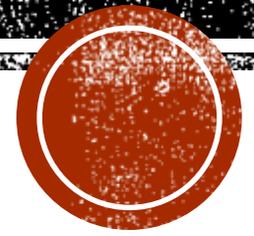




INDIA — SURGING AHEAD

Indian Business Landscape
at a glance



Indian Economy Snapshot

Economy grew
by **7.6%**

Population
@ **1.25
billion**

\$2 Trillion
economy

Trade
Exports **\$262Bn**;
Imports **\$380Bn**

FDI **\$29
Billion**



Unemployment
Rate **4.9%**

Moderate
inflation @
5~6%

Sectoral contribution to GDP
Agriculture **17.5%**
Industry **31.8%**
(Manufacturing **17.4%**)
Services **50.7%**

Forex
**\$367
Billion**

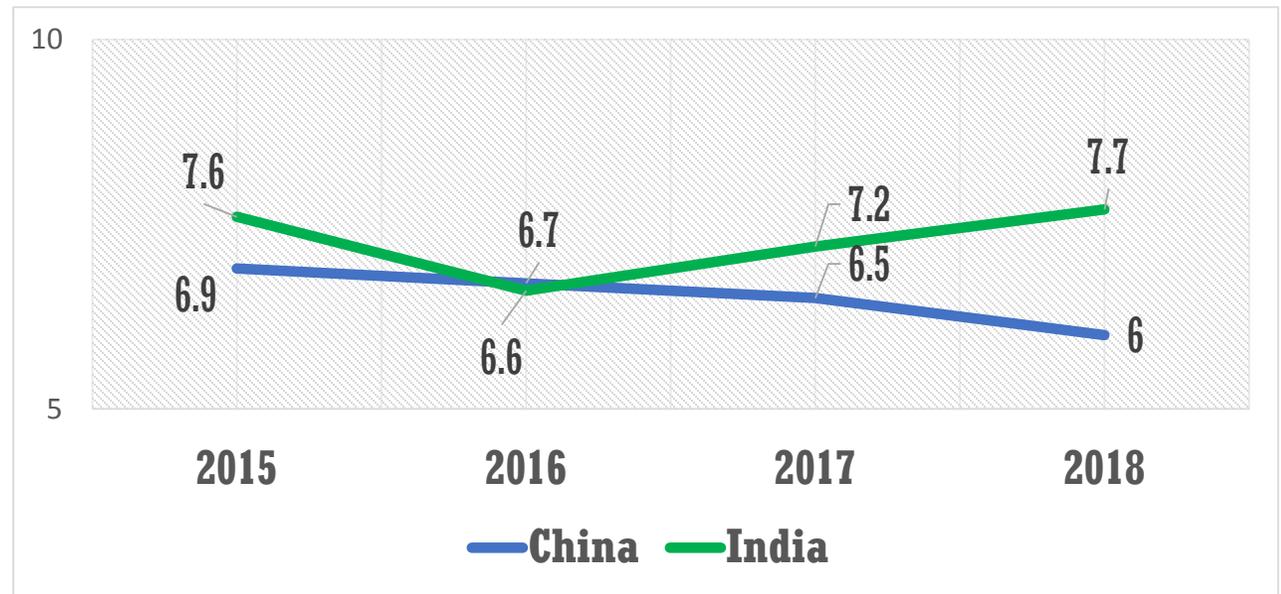
Economic Forecast



World Bank: India's growth for 2016-17 fiscal "still robust" @ **7%** despite demonetisation.

India will regain momentum with **7.6%** growth in 2018 and **7.8%** growth in 2019.

IMF Forecast till 2018





**India : The Most Attractive
Global Investment Destination**

Young Demography

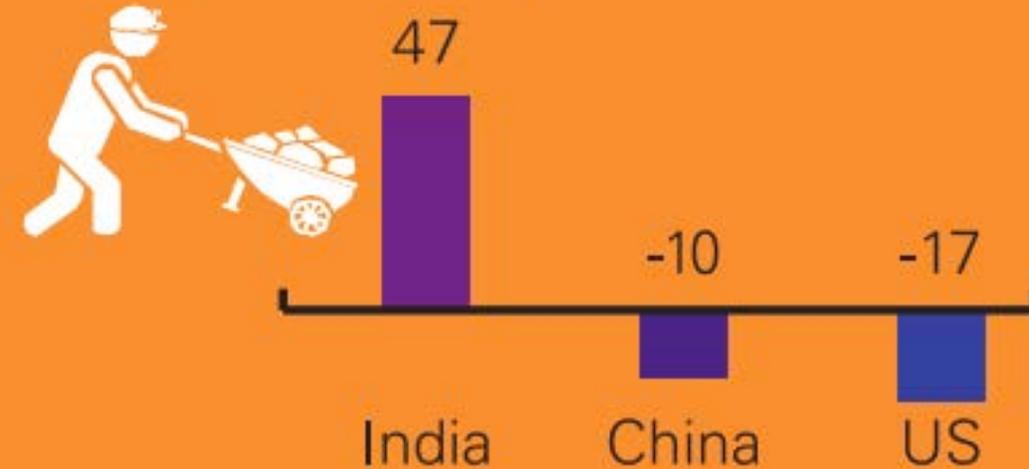
Young Demography: A window of opportunity

World's youngest country by 2020 with an average age of 29 years

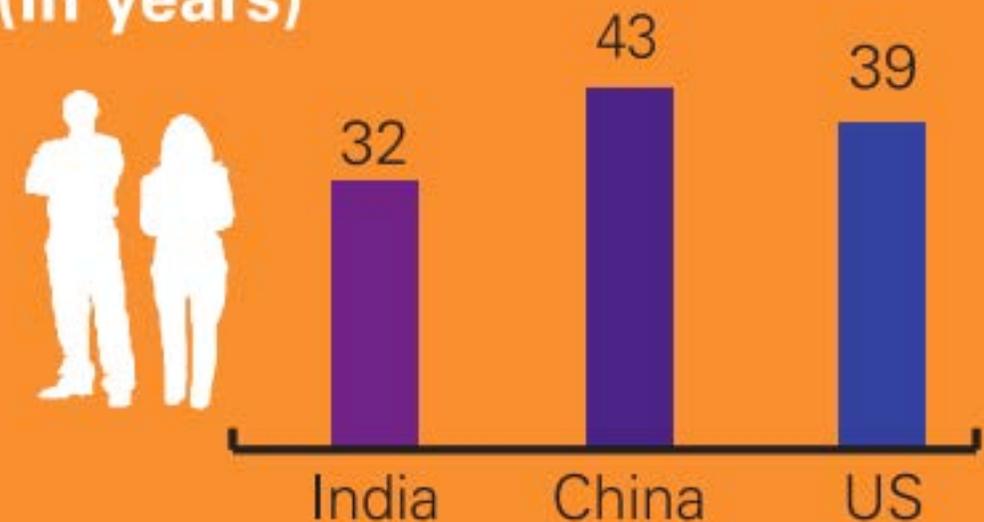
Surplus workforce of 47 million

By 2030: India's workforce will have an average age of 32 years

Labour force surplus/deficit by 2020 (in million)



Projected median age in 2030 (in years)



Ease of doing business



- **Single-window clearance**, 14 central government services are integrated with **e-Biz portal**.

- **Goods and Services Tax approved**
In place by Jul 2017

- GST is a destination based tax on goods and services
- Levied at all stages: Manufacturing to Consumption
- Only the value addition will be taxed

- New **Bankruptcy Law** Passed

- Vital reform that will make it much easier to do business in India
- Quicker resolution of cases and unlock value of assets

- New **IPR policy** announced

- Policy aims to push IPRs as a marketable financial asset to promote innovation and entrepreneurship

- Road map to reduce **corporate tax** from 30% to 25% laid down.

Investor Facilitation Cell – INVEST INDIA established to guide, assist and handhold investors during the entire life cycle of a business.

Make-in-India program

The **Make-in-India (MII)** program was launched on 25 Sept 2014.

- **MII** focuses on:

- ❑ Attracting investment into **manufacturing**
- ❑ Increase **manufacturing share** in GDP from 16% to 25% by 2022.
- ❑ Create **100 Mn additional jobs** by 2022.
- ❑ Completely overhaul the **FDI regime**.
- ❑ **25 Sectors identified:** Automobile, Auto Components, Aviation, Biotechnology, Chemicals, Construction, Defence, Electrical Machinery, Electronic Systems, Food Processing, IT & BPM, Leather, Media & Entertainment, Mining, Oil & Gas, Pharma, Ports & Shipping, Railways, Renewable Energy, Roads, Space, Textiles & Garments, Thermal Power, Tourism & Hospitality, and Wellness.



FDI

No. 1 FDI Destination in the World.

Most **open economy** in the world for FDI



BPI Ranking (2015)

India	:	1
U.S.	:	50
China	:	65
Brazil	:	99
Russia	:	108

Factors on which success of FDI depends on:

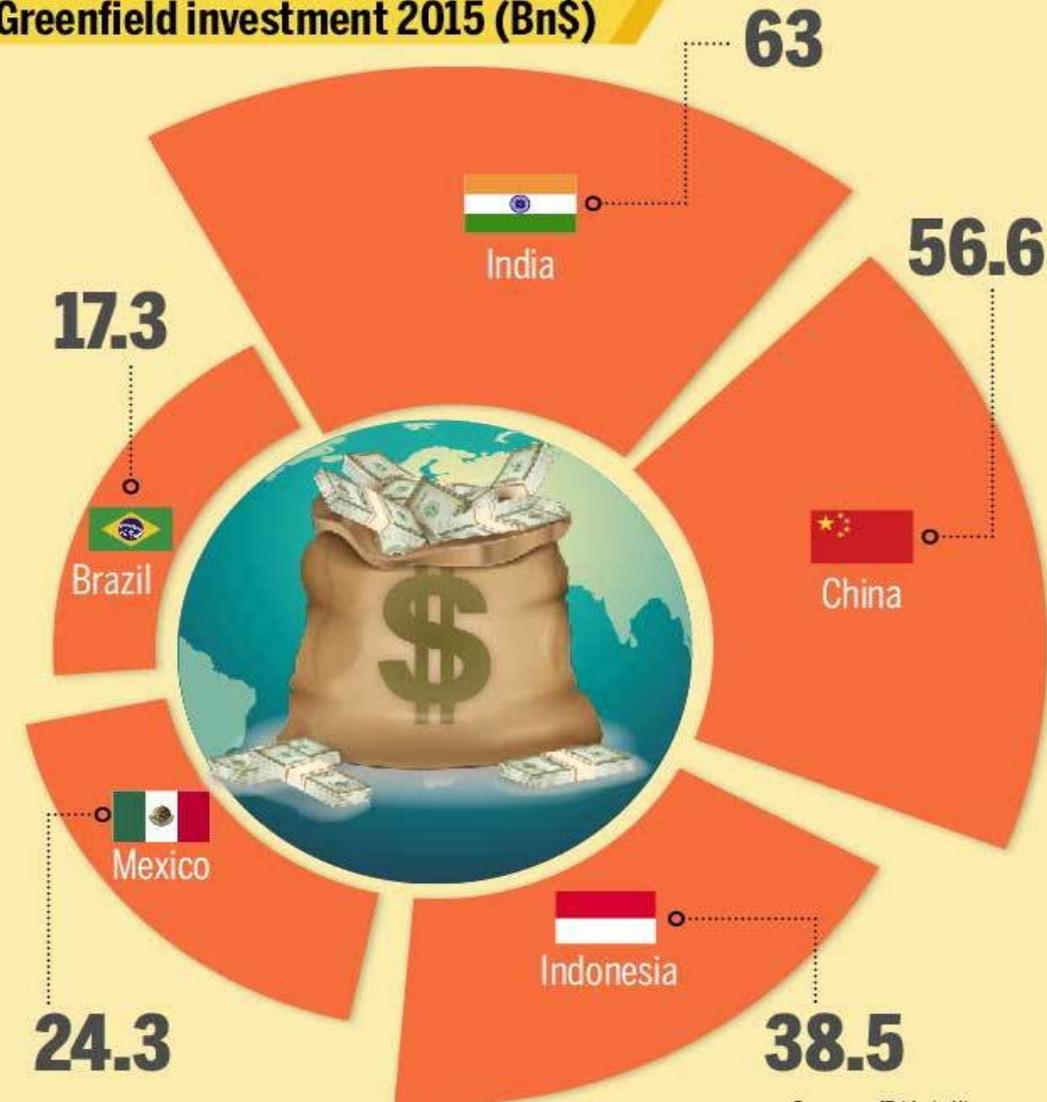
- Growth of Asset Value
- Preservation of Value while the asset is owned
- Ease of repatriating profits

“As per BPI Index, India is the **Best Bet for Investors**”

No. 1 Rank out of 110 countries on the Baseline Profitability Index (BPI) – 2015

MOST ATTRACTIVE FDI DESTINATIONS

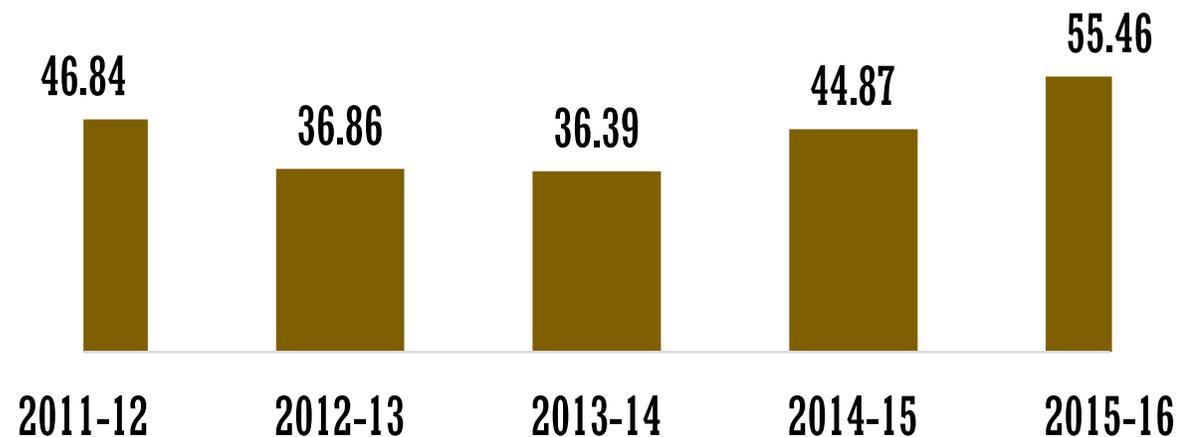
Greenfield investment 2015 (Bn\$)



100% FDI allowed in 92% of sectors, including:

- Industrial Parks, and Construction Development
- Railways, Telecom, Defence and Petroleum & Natural Gas Exploration
- Airports
- Mining
- Credit Information Companies, Non-banking Finance Companies, and Asset Reconstruction Companies
- Pharma, Bio-tech, Medical devices
- Trading

INDIA FDI FLOWS (US\$ billion)





Growth drivers of the Indian Economy at a glance- Top sectors in focus

ELECTRONICS



One of the **fastest growing** sectors

Electronics imports- **3rd highest**, next to crude and gold

IT-Business Process Management (IT-BPM) industry constitutes **8.1% of India's GDP**,

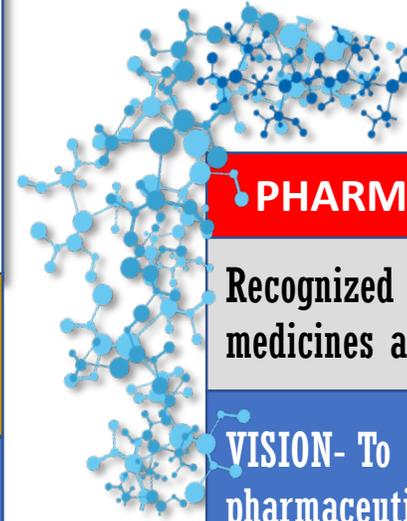
IT



Global **IT firms** setting up **innovation centres in India.**

Cost competitive— 3 to 4 times cheaper than the US.

PHARMACEUTICALS



Recognized globally for high quality medicines at **affordable prices**

VISION- To catapult India to **top five** pharmaceutical innovation hubs by 2020

TOP SECTORS IN FOCUS

E&RD



E&RD market is expected to reach **US\$ 38 Bn**

Contributed **40%**, of the total of **\$31 billion** of globalized engineering and R&D in 2015

MEDICAL EQUIPMENTS



Market size @ **US\$ 5.5Bn**

Expected to be a **USD 25-30Bn** industry by 2025

BIOTECHNOLOGY



India @ **Top12** biotech destinations in the world

100% FDI is allowed

AUTOMOTIVE

- Most **competitive** industry in the world.
- Produced **19.84 million vehicles**
- Attracted **FDI worth US\$ 15.07 billion**
- **Fast paced** growth
- Turnover @ **US\$ 40 billion**
- Exports @ **US\$ 11 billion**



100% FDI allowed in auto sector via the automatic route

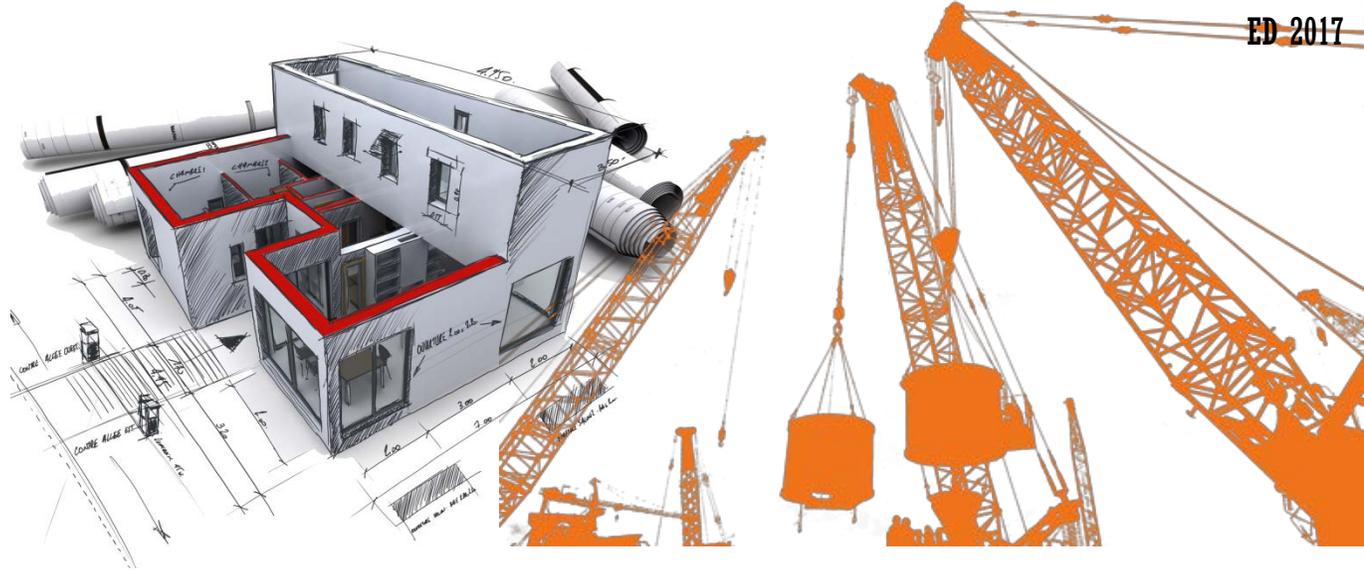
Auto sector contributes 7% of India's GDP

3rd largest market globally
Annual turnover @ USD 145 billion

CONSTRUCTION

100% FDI by automatic route allowed for developing:

- Townships
- Roads & Bridges
- Residential & Commercial premises
- Hotels & resorts
- Hospitals
- Educational institutions
- Recreational facilities
- City and regional level infrastructure



- **Foreign investors permitted to exit and repatriate foreign investment** before the completion of project under automatic route, subject to a lock-in-period of three years.

- **Lock-in period will not apply for FDI** into hotels and resorts, hospitals, SEZs, educational institutions, old age homes and NRI investments.

Textiles & Garments

Current market size
@ \$127 Billion

100% FDI allowed in
Textiles

2nd largest producer of
textiles in the world

60% textile & garments
exported to U.S. and EU

Textiles contribute 5%
to GDP



- GOI approved a **Rs 6,000 crore** (US\$900 million) package for textiles sector
- **Technology Upgradation Fund Scheme (TUFSS)**: budget provision of **Rs.17,822 crores**; generate **3 million jobs**.
- **Apparel and Garment Centres** set up **promote entrepreneurship in apparel sector**

E-commerce

- E-commerce business valued @ **US\$ 38 Bn, 2016**
- **70 Mn online shoppers**
- 63% of e-commerce is **travel-related**
- E-tail business @ **29%**
- **Mobile/DTH** recharge **>1 Mn** transactions/day
- India's **Internet economy** to reach a value of **US\$200 billion** by 2017.
- **100% FDI** via automatic route is permitted in B2B e-commerce



India's leading e-Commerce companies



Renewable Energy

Grid-connected Capacity (Sept. 2016):

Renewable Source	GW
Wind	28.08
Solar	8.51
Bio-Power	4.99
Small Hydro	4.32
TOTAL	45.91

Off-Grid / Captive Power (Sept. 2016):

Renewable Source	GW
Waste-to-Energy, Biomass cogeneration, Biomass Gasifiers, Aero-generators, Solar Photovoltaic Systems, Water Mills	1.38

India's Intended Nationally Determined Contribution (INDC)

- Reduce** the **emissions intensity** per unit GDP by 33 to 35% below 2005 by 2030
- Increase** the share of **non-fossil-based power capacity** from 30% today to about 40% by 2030
- Create an **additional carbon sink** of 2.5 to 3 billion tons of CO₂ through **additional forest and tree cover**



Retail

Market size @ US\$ 600 Bn.

Expected to reach @ US\$ 1 Trillion by 2020.



100% FDI permitted under automatic route

Food Processing

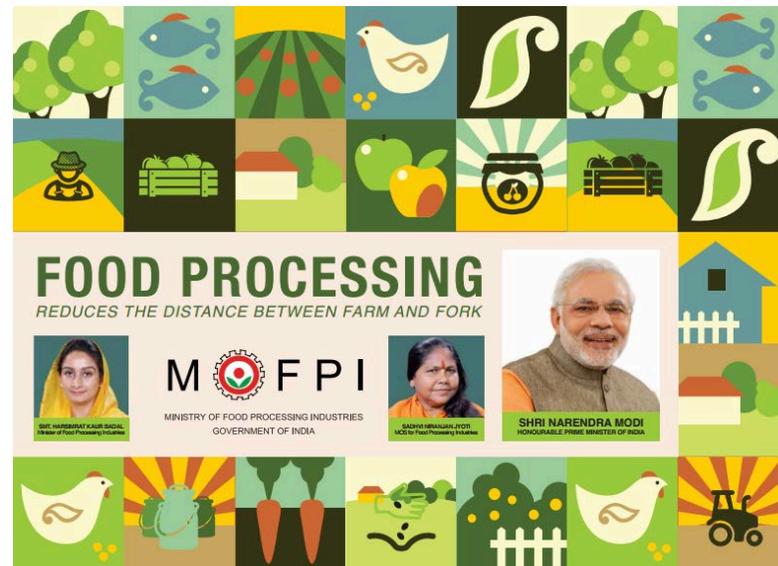
Market size @ US\$ 191 Bn.

Processed Food Market @ US\$ 100 Bn.

No 1 producer of milk in the world

2nd largest producer of fruits and vegetables

3rd largest producer of food grains & fish



Tourism & Hospitality

India ranks 40th globally in terms of international tourist arrivals

Tourism contributes 12.36% of total employment.

Wellness Tourism @ 3 Billion market

Quality and affordable surgeries for heart bypass, heart valve replacement, angioplasty, knee replacement, spinal fusion

Policy Support:

100% FDI allowed

E-Visa scheme extended to 150 countries.

Incredible!ndia



Smart City
MISSION TRANSFORM-NATION

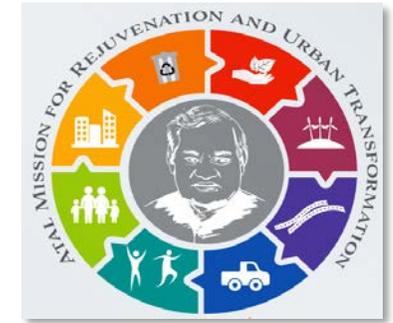
MISSION TRANSFORM-NATION
Smart City



Big Ticket Urban Renewal Projects – Getting future ready

AMRUT

Atal Mission for Rejuvenation and Urban Transformation



AMRUT FOCUS

- Water supply
- Sewerage facilities
- Parking spaces
- Upgrading green spaces

Transforming Cities into
Efficient Urban Living Spaces



500 cities selected

Total estimated outlay @ **USD7.5 billion** till 2019

BUSINESS OPPORTUNITIES

- Water treatment plants
- Waste management
- Urban transportation
- Green zone components

Urban development

- **100 Smart Cities** – Retrofit/Redevelop or build Greenfield cities planned.
- **Growing Urbanization** ~75% of GDP by 2030.
- **Smart City Mission:** Drive economic growth and improve the quality of life
- **100% FDI**
- **Easy exit option for foreign investors.**



Investment Outlay:

- Smart Cities Mission from FY2015-16 to FY2019-20 is more than **US\$15 billion.**
- Atal Mission for Rejuvenation and Urban Transformation (AMRUT) from FY2015-16 to FY2019-20 is appx. **US\$7.5 billion**

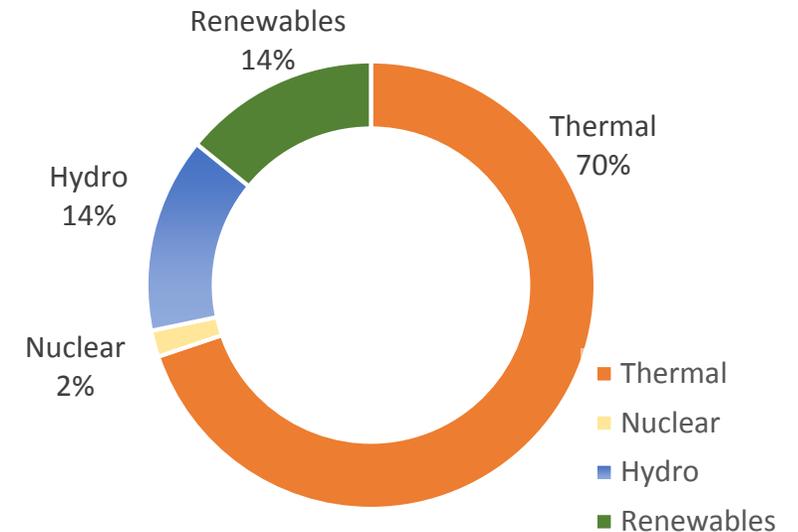
Power for All (PFA)

- ❑ **24x7 power** to all Households, Industry, Commercial Businesses, Agriculture Farm Holdings
- ❑ PFA covers the **entire spectrum of the power sector** including Generation, Transmission, Distribution, Renewables, Energy Conservation and Customer Initiatives
- ❑ Setting up **5 new coal-based Ultra Mega Power Projects**



International Solar Alliance (ISA)

- ❑ Coalition of **121 prospective member countries**, Treaty-based organization, headquartered in India.
- ❑ **27 Countries** already signed up.





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New Age India

START-UP INDIA

#startupindia

- **No. 3 globally** in terms of the **number of start-ups**.
- **19,000** technology-enabled start-ups.
- **World's youngest start-up nation**
- **Bengaluru** ranks **15th** globally in Start-up Ecosystem Ranking for 2015.
- **Total Start Up investment \$ 7.2 billion** in 2015.



Features :

- **Simple Compliance Regime**
- Legal support & **fast-tracking** patent examination at reduced costs.
- **Faster Exit**
- Fund support through a corpus of **US\$ 1.5Bn.**
- **Credit** guarantee support
- **Tax exemption** for 3 years.



VISION

- **Digital infrastructure for every citizen** - it includes internet availability, digital identity, mobile phones etc
- **Governance and services on demand**- it includes real-time availability of services on mobile phones and online platforms
- **Digital empowerment of citizens** - it encompasses universal digital literacy



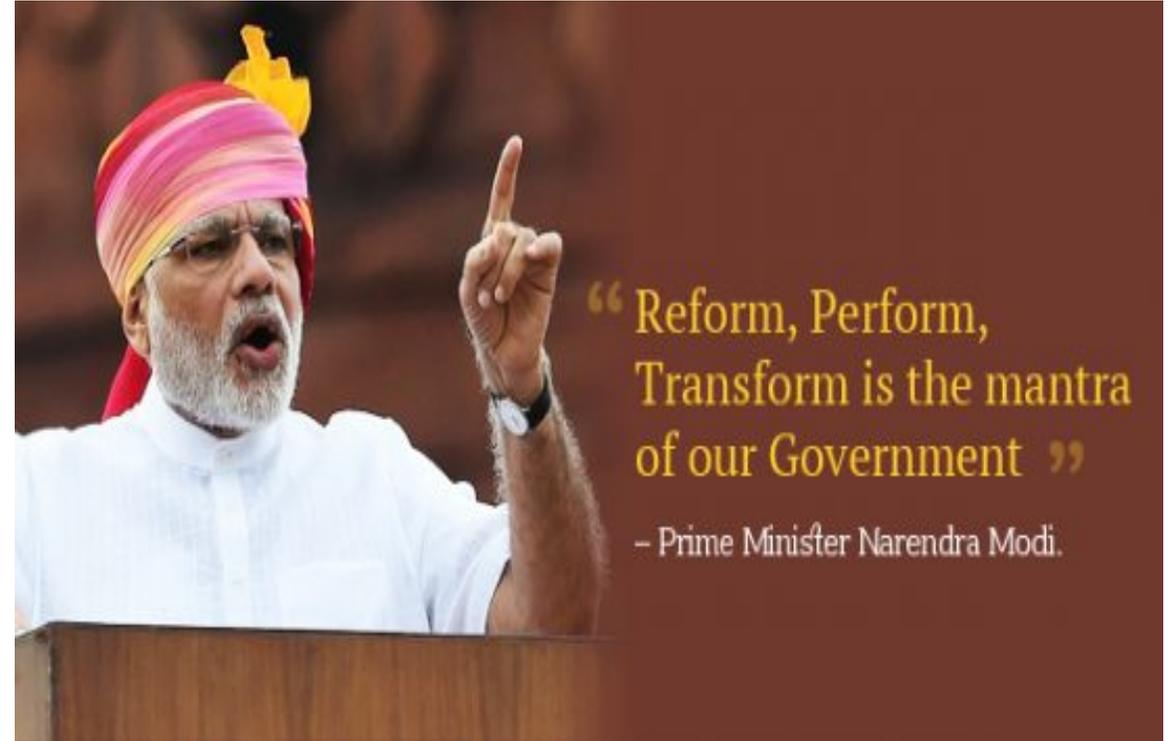
DIGITAL INDIA

BUSINESS OPPORTUNITIES:

- Electronics manufacturing
- Telecom sector
- On-line education
- Healthcare
- Broadband sector

ACTION PLAN:

- Setting up of a **pan-India fibre-optic network** .
- **Wi-Fi services** in cities with a population of more than 1 million.
- **Broadband access** to 250,000 village clusters by 2019
- Universal **mobile phone connectivity**
- Achievement of a **leadership position in IT** toward betterment of health, education and banking services



A **DigiGaon** (Digital Village) initiative to provide tele-medicine, education and skills to villages through **digital technology**

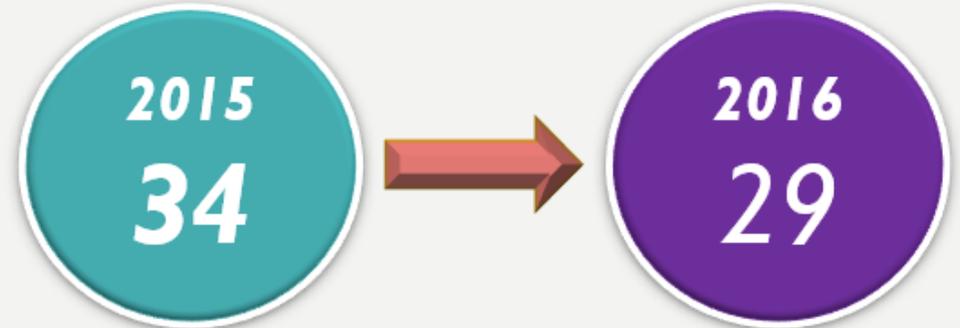


**India- positioned favourably for
future**

India Ranking

- **World Bank** ~ India will be the world's **fastest growing** major economy in 2017.
- **UNCTAD World Investment Report (2015)** ~ India climbs 6 places to reach 9th rank, joining the league of the **world's top 10 countries by FDI** inflows.
- **World Economic Forum 2015** ~ Up 16 places to reach 39th on the **Global Competitiveness Index**.
- **World Bank's 2016 Logistics Performance Index**. ~ Moved up 19 ranks to reach 35th position.
- **Global Innovation Index** ~ India moved up 16 ranks to reach 66th position.

No. of Days to Start a Business



WB Doing Business Rank : 130

UNIDO Manufacturing Index : 6

Baseline Profitability Index: 1



**THANK
YOU**