



INVEST INDIA
NATIONAL INVESTMENT PROMOTION
& FACILITATION AGENCY



INDIA - JAPAN : A RELATIONSHIP OF GROWTH

25 March | 12:30 – 2 pm IST

A SPECIAL BOND



Bilateral ties date back to almost 1400 years



Ranked most preferred investment destination by Japanese investors



9,800+ Japanese nationals reside in India.
37,000+ Indian nationals reside in Japan



India-Japan Association is one of the oldest surviving international friendship bodies



4th largest investor in India
FDI inflows of \$ 33.9 Bn since Apr 2000



1454 Japanese Companies in India



JAPAN-INDIA PARTNERSHIP



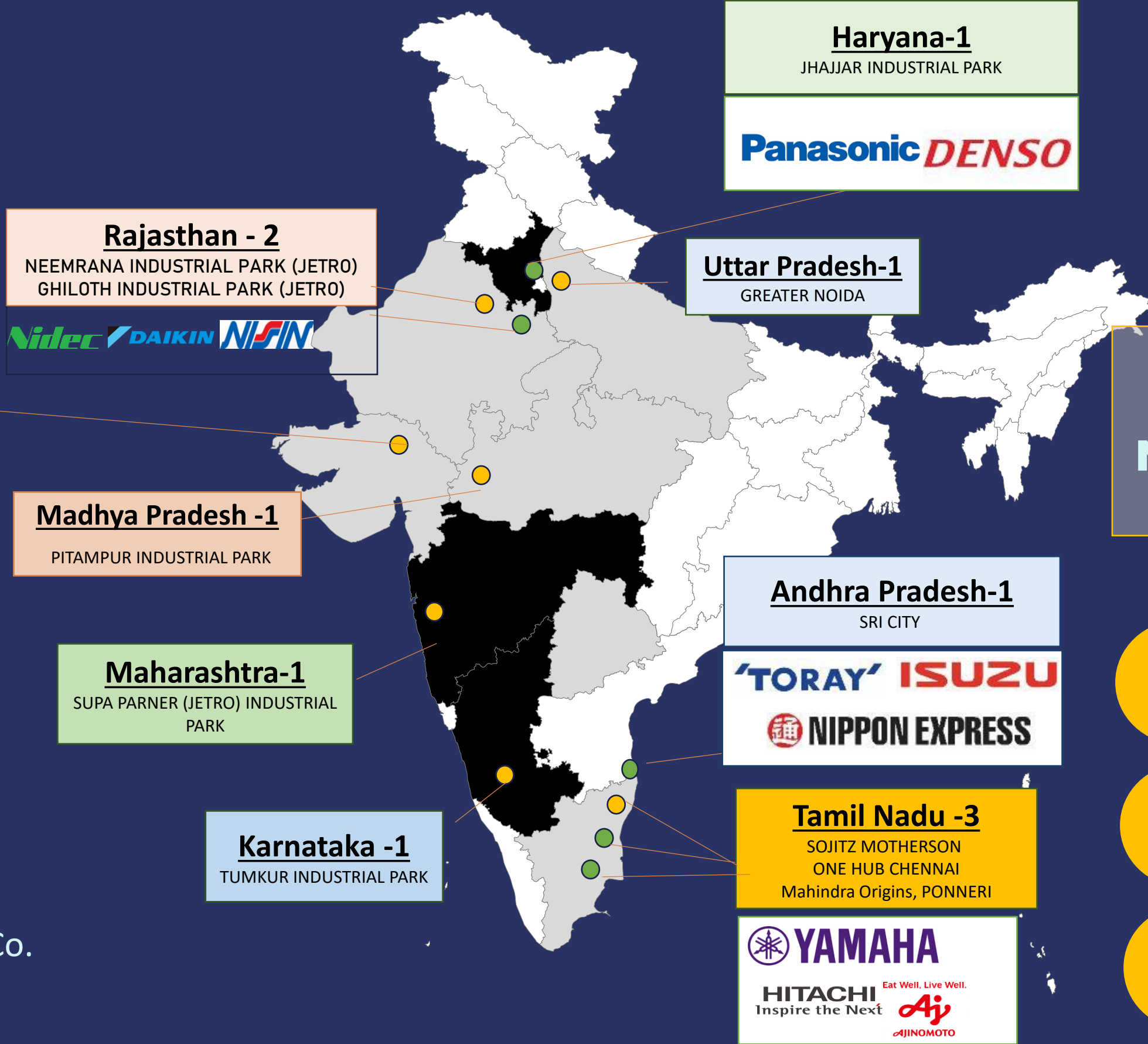
Invest India
Facilitation: \$ 1.8B

~1454 Japanese Companies in India

9,000+ Japanese Nationals in India

30,000+ Indian Nationals in Japan

- Proposed JIT
- Operational JIT
- 500+ Japanese Co.
- 100-500 Japanese Co.



4TH Largest investor in India

\$33 Bn FDI into India

\$17 Bn Bilateral trade

World Class Infrastructure



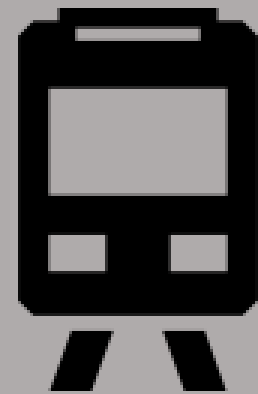
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ROADS & HIGHWAYS



**66,000 Km of Highways;
41 km/day**

RAILWAYS



**600+ railway stations;
10,000 km high speed**

AIRPORTS



**400 airports;
100 new airports**

ENERGY



**450 GW of RE
by 2030**

PORTS



**173 shipping projects
worth \$60B
by 2020**

LOGISTICS



**5 freight corridors;
35 new parks**

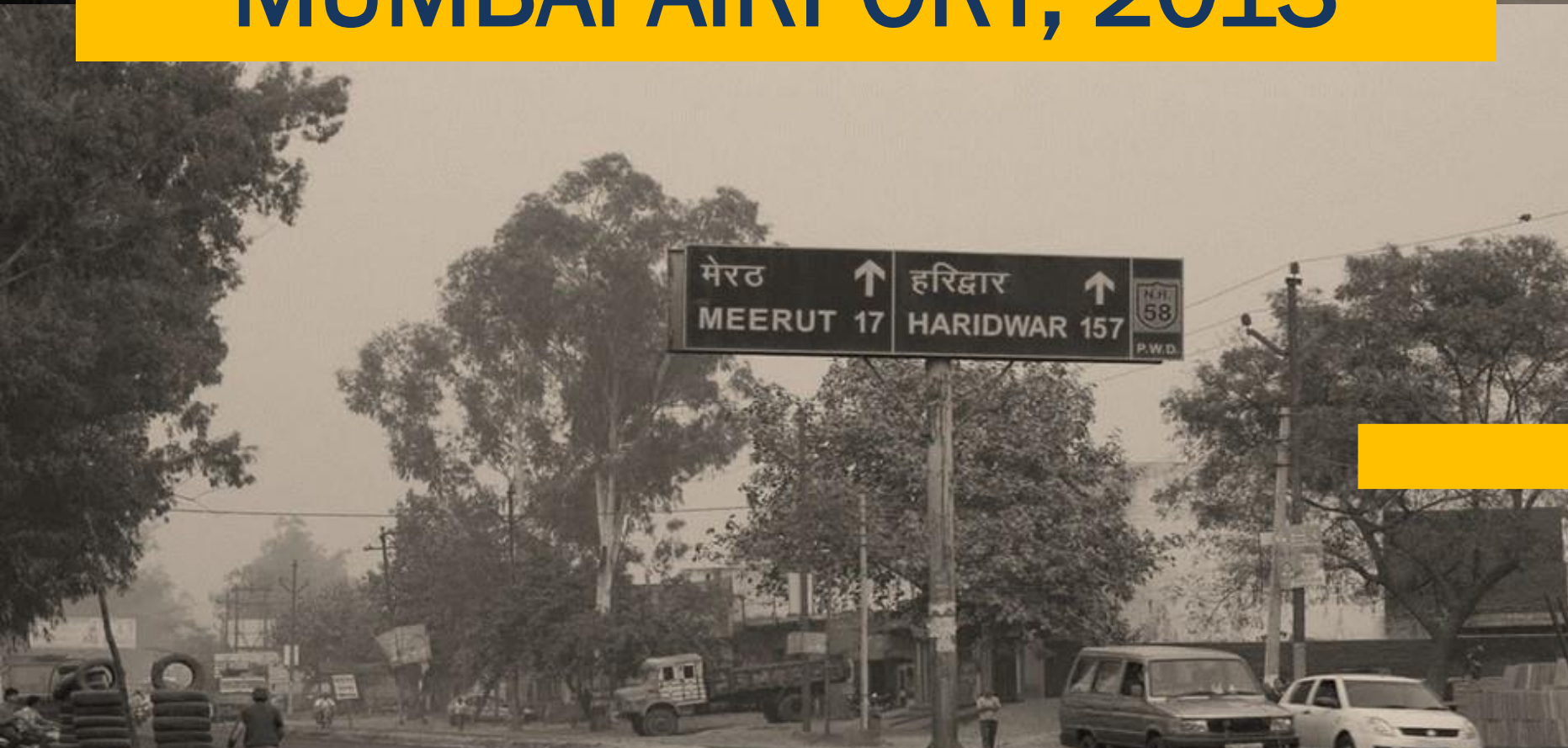
National Infrastructure Pipeline: \$1.4 Tn by 2025



MUMBAI AIRPORT, 2013



MUMBAI AIRPORT, 2018



MEERUT HIGHWAY, 2014



MEERUT HIGHWAY, 2018

2. India: Economic Powerhouse

- #1** Global Fintech Adopter

- #3** Consumer Market

- #2** Global Pharma & Biotech workforce

- #1** Internet Users

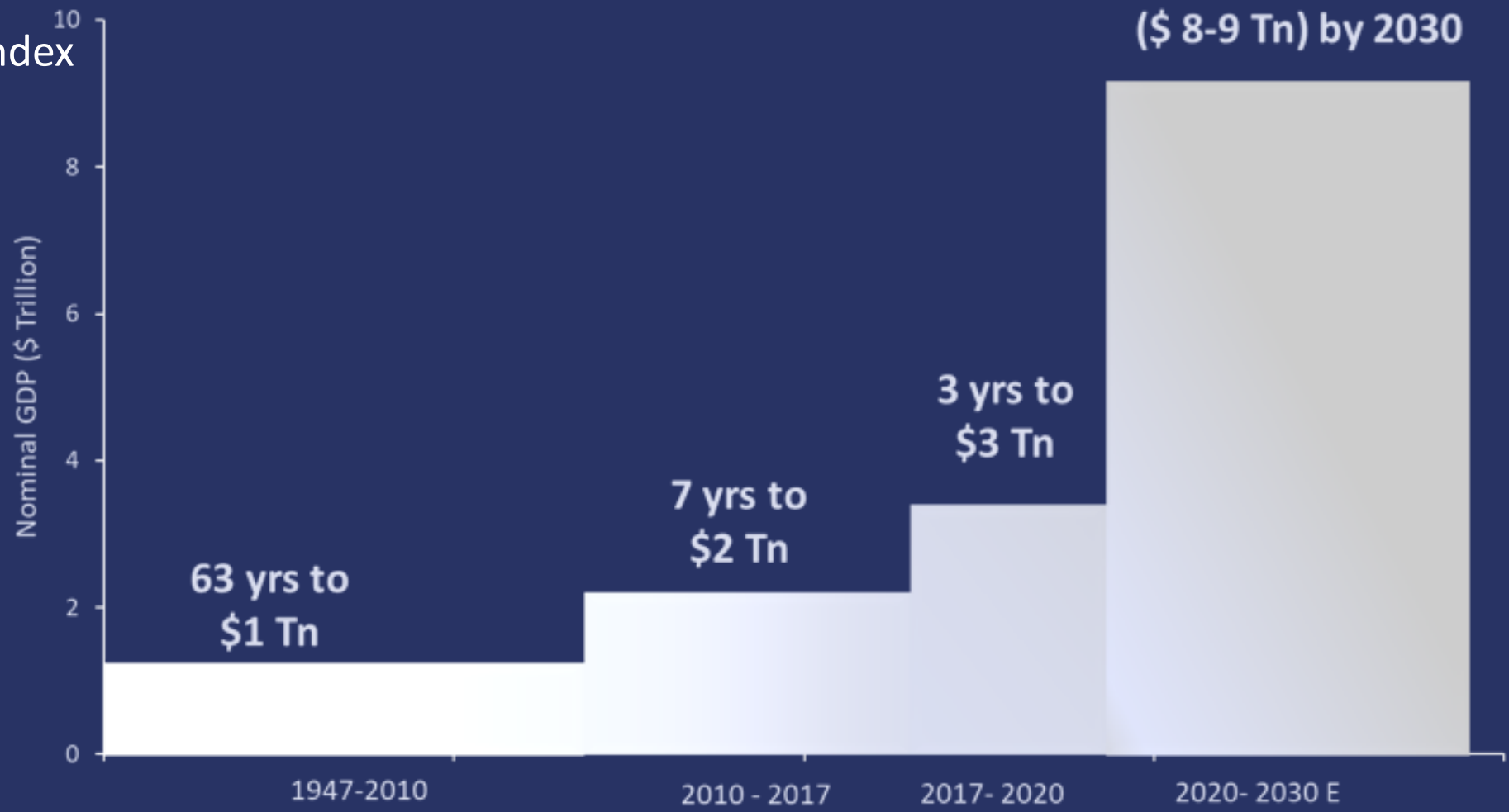
- #3** Economy by PPP

- #2** Global Retail Index

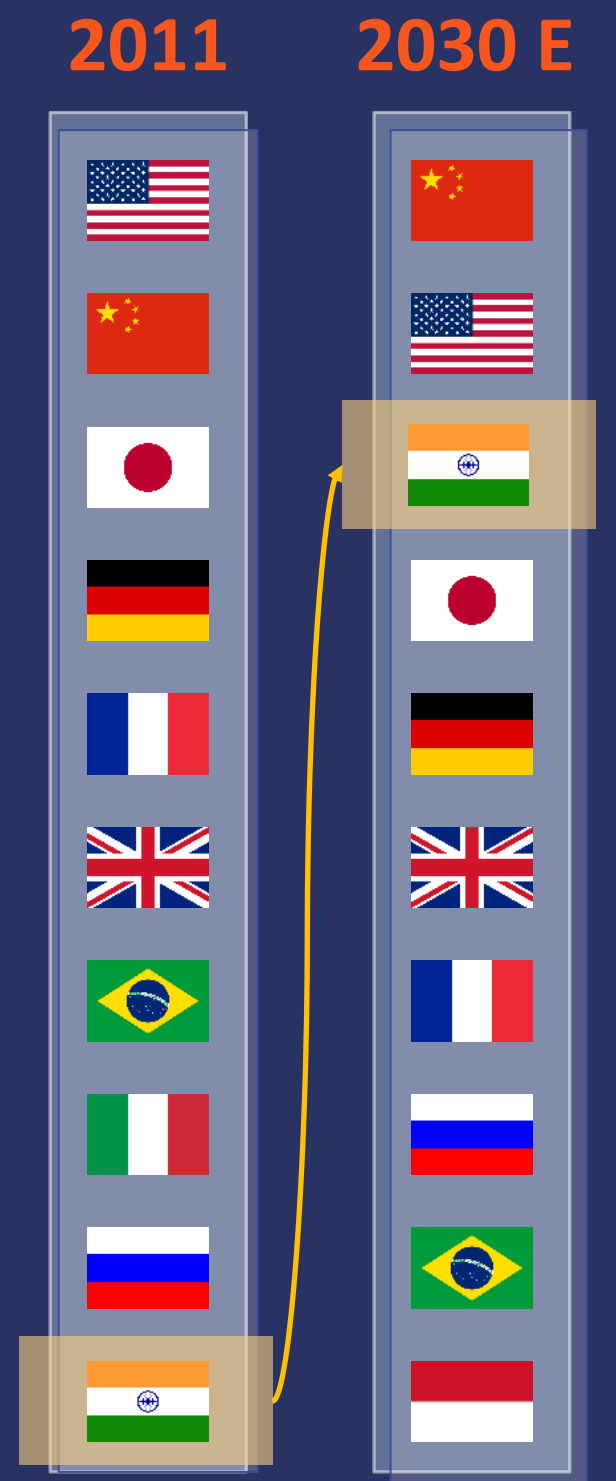
- #1** Smartphone data consumer

- #2** Startup Ecosystem

- #3** Largest consumer of oil



Note: Forecasts by International Monetary Fund, Oxford Economics, The Economist Intelligence Unit, OECD, The World Bank & Reserve Bank of India



Ranking basis GDP, nominal, US\$ B

2.1 India: \$5 Trillion Opportunity by 2025

\$300 B
Auto

\$200 B
Auto Comp

\$25 B
Aviation

\$100 B
Biotech

\$350 B
IT/BPM

\$65 B
Pharma

\$304 B
Chemicals

\$640 B
Construction

\$130 B
Defence

\$30 B
Leather

\$180 B
Renewables

\$285 B
Roads

\$400 B
Electronics

\$535 B
Food Processing

\$123 B
Ports

\$223 B
Textiles

\$125 B
Thermal Power

\$424 B
Tourism & Hospitality

\$100 B
Media &
Entertainment

\$9 B
Wellness

\$150 B
Mining

\$110 B
Oil & Gas

\$112 B
Capital Goods

\$192 B
Railways



24 Sectors
providing
diversity in
opportunities
for investors

2.2 India: Top market across all segments



2nd largest Smartphone market
150+ Mn Shipments
Growing at **11%** ¹



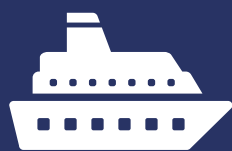
2nd largest Steel Producer
140+ Mn capacity ²



4th largest oil refiner
\$118Bn investment by 2024
4.5% CAGR petrochemical consumption ³



4+ Mn passenger cars & commercial vehicles sold in FY19 ⁴



2500 MT expected rise in cargo traffic by 2024-25
Compared to **1,072 MT** in 2015-16 ⁵



63% CAGR - Fastest growing E-commerce market, **USD 99 Bn** by 2024 ⁶



3rd largest domestic aviation market.
340 Mn+ passengers , growing at **11%** ⁷



6th largest producer of chemicals.
Projected to reach **\$304 Bn** by 2025 ⁸



\$10 Bn+ Consumer Durables in FY19
Current market to double by 2025 ⁹



5th largest installed capacity of renewable energy ¹⁰



6th Largest Food and Grocery Market ¹¹



2.3 India: Strong resurgence post COVID-19

Significant recovery seen in economic revival phase

2nd largest

PPE manufacturer in the world; achieved in 60 days (Jul 2020)

90+%

Pre-COVID levels for E-commerce order volumes (Jun 2020)

23 Lakh

PPE kits exported to countries like USA, UAE, UK, Senegal and Slovenia (Aug 2020)

11,300

Make in India ventilators have so far been dispatched to various states (Jul 2020)

100%

Pre-COVID lockdown levels reached for digital payments & toll collections (Sep 2020)

85%

Pre-COVID sales level reached for food delivery (Oct 2020)

2.2 CR+

N95 masks distributed amount various states and union territories (Jul 2020)



13% more kharif sowing as compared to last year



70% Pre-COVID 19 production levels for 2-wheelers reached



100% Pre-COVID 19 lockdown levels reached for exports



PMI of 56.3 in Nov and **58.9** in Oct 2020
2.2 Bn digital payments (UPI) in Nov 2020

2.4 EASE OF DOING BUSINESS



WORLD BANK

Doing Business ranking for India (2012 – 20)

Record jump of **79 places**
Top 10 improver globally



Opportunity 2025

URBAN INFRASTRUCTURE		AIR & WATER TRANSPORT	
Renewable Energy	225 GW	400	Airports
Smart Cities	100+	111	Inland Waterways
New Logistics Parks	35	20	New Dry Ports
Industrial Corridors	5		

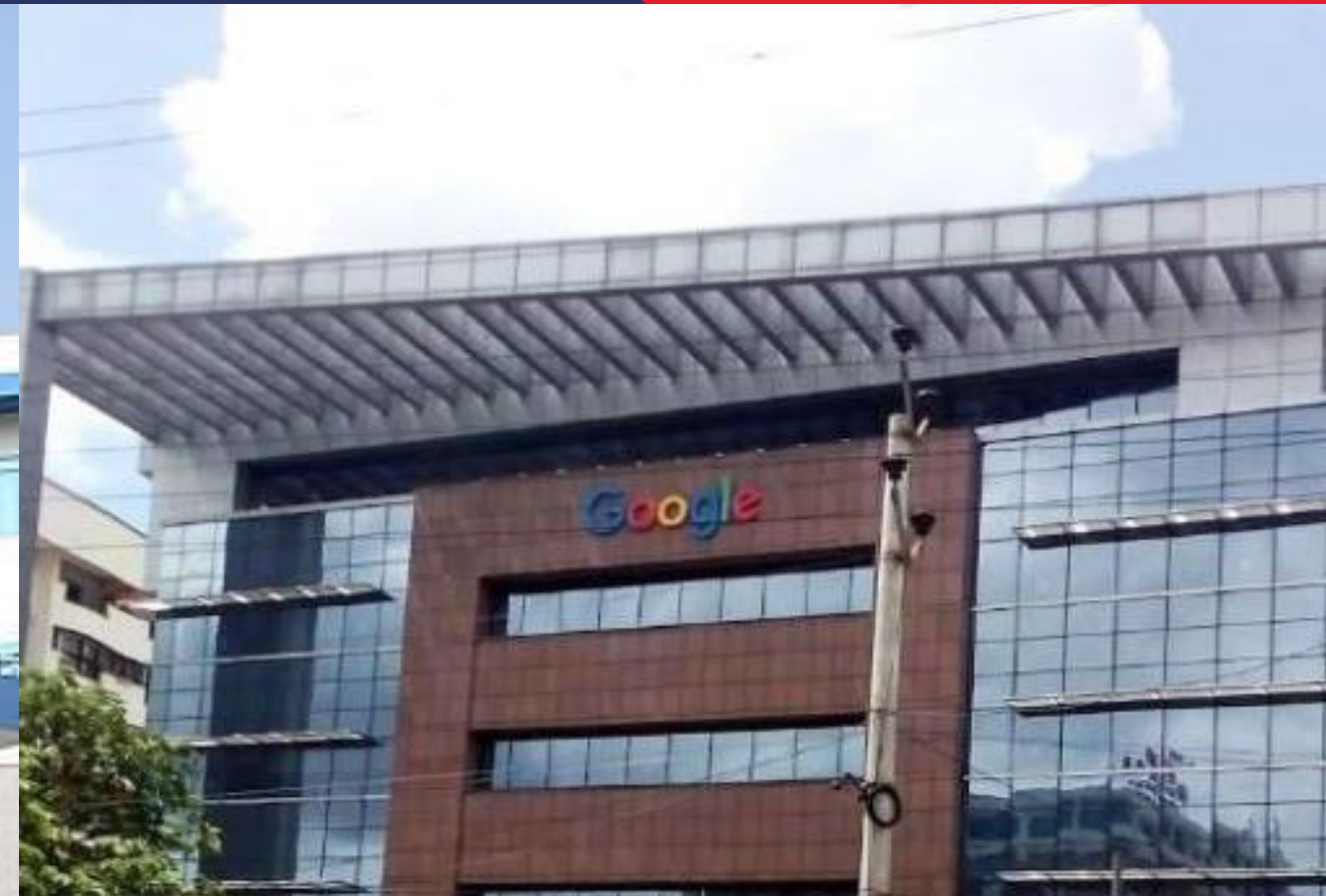
LAND TRANSPORT	
10,000 Km	New High Speed Rail
800 Km	New Express Highways
600+	World Class Rail Stations
40Km	Roads / Day

INDIA : #1 R&D DESTINATION

1140 R&D Centres of MNCs in India | | 900,000 Professionals



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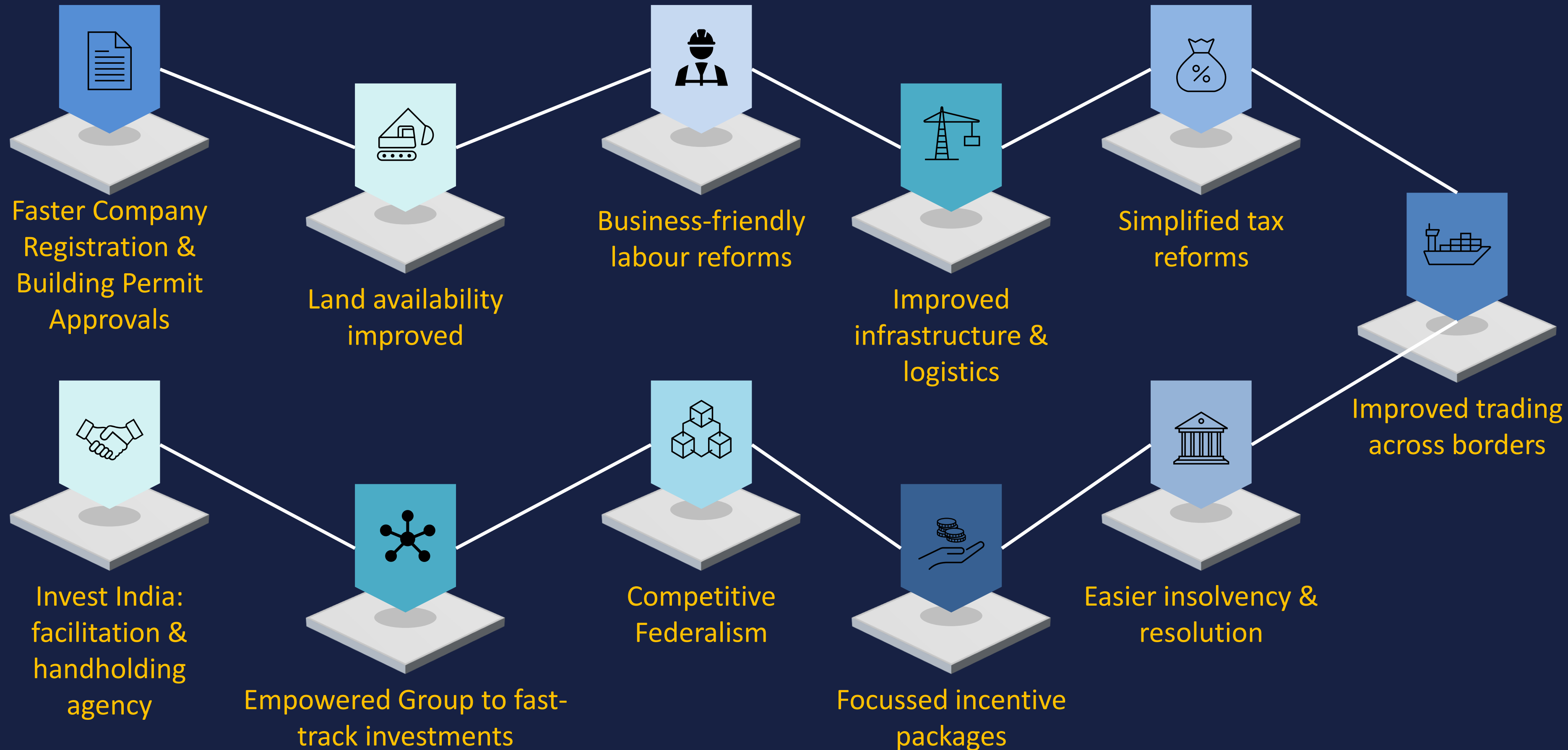
Samsung R&D Institute,
Bangalore: Largest R&D centre
outside of South Korea.

Intel India Design Centre,
Bangalore: Largest R&D centre outside of
USA.

Apple, Amazon, Google & Uber:
Plan to have 2nd largest development
centres, outside the USA in Hyderabad

3. GOVERNMENT REFORMS AND BUDGET HIGHLIGHTS

3.1 REFORM, TRANSFORM, PERFORM





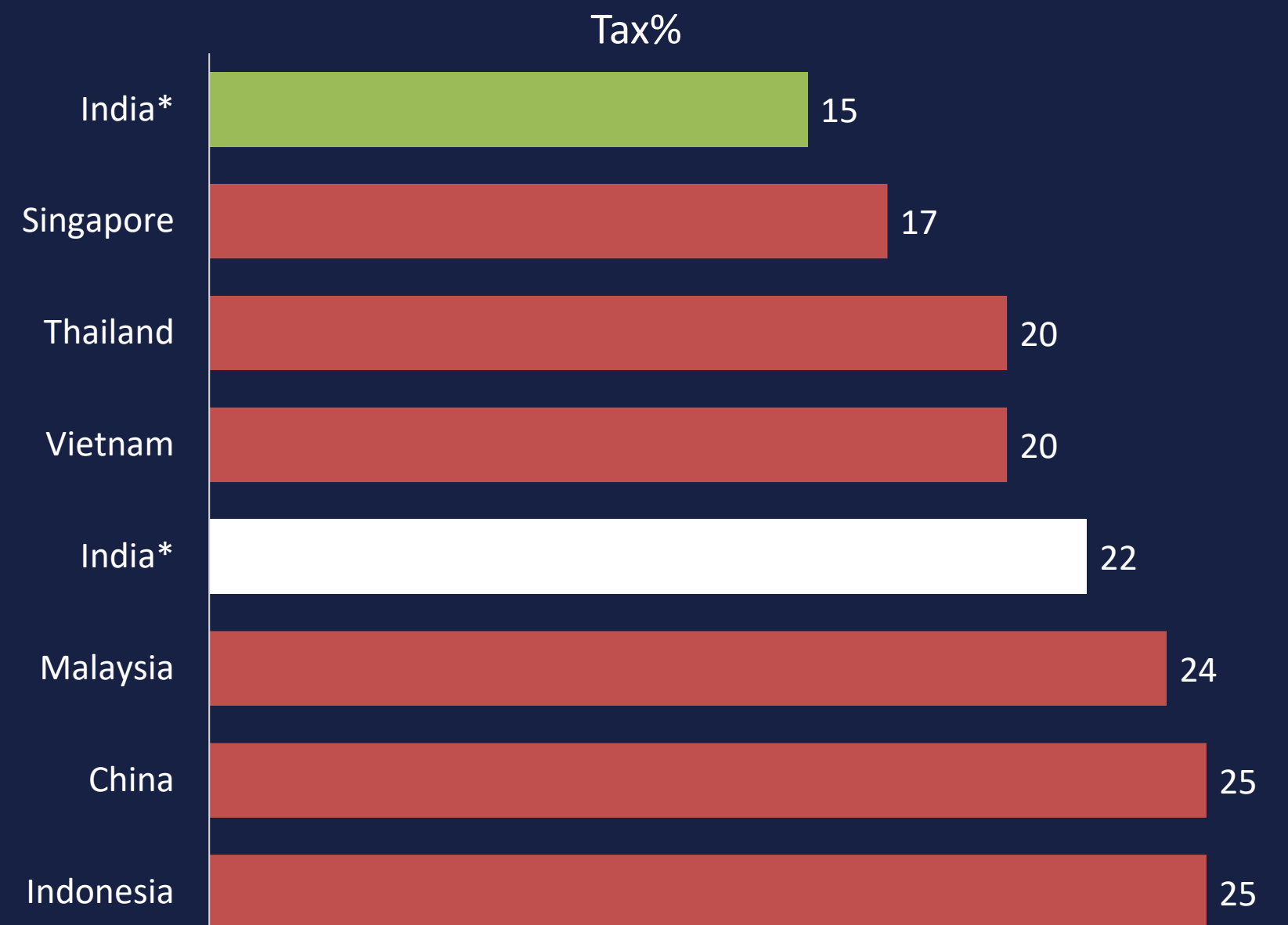
3.3 ATTRACTIVE TAX REGIME

Reduction in Corporate Tax: Corporate Tax reduced to 15% to promote investments

Reformed Income Tax regimes to ease compliance, and implement 'Taxpayers Charter' to build trust with the Government and provide privileges to taxpayer

Result: Lower tax burden, more incentives; simplified tax regimes and higher trust

Comparative of Corporate Tax Rate



*22% for existing investors

*15% for new manufacturing units operational before March 2021

"We welcome the bold changes introduced by the government, which will strengthen India Inc's role as the nation's job and wealth creators. The increased tax savings will boost cash flows, spur domestic and foreign investment, provide competitive tax rates and act as an economic driver towards Make in India"

- Anand Kripalu, Managing Director and CEO, Diageo India



3.4 OTHER KEY REFORMS & INCENTIVES

- **EMPOWERED GROUP OF SECRETARIES (E-GOS) ON INVESTMENT**
- **PROJECT DEVELOPMENT CELL**
- **NATIONAL INFRASTRUCTURE PIPELINE (NIP)** : US\$ 1.4 T planned between 2019 -25 . Hosted on India Investment Grid
- **INDUSTRIAL INFORMATION SYSTEM (IIS)** : A GIS (Geographic Information System) based system which has approximately 3,376 industrial parks with a seamless experience to identify investable industrial land opportunities.
- **INDUSTRIAL PARK RATING SYSTEM (IPRS)**: To provide qualitative perspective to investors
- **STATE SINGLE WINDOW SYSTEM (SWS)** : To make the process of applying for licenses/clearances/approvals hasslefree,
- **CUSTOM BONDED WAREHOUSING :**
(Section 65 of the Customs Act, 1962)
 - Deferred Duty on Capital Goods
 - Deferred Duty on Imported Inputs

3.5 BUDGET HIGHLIGHTS



FOCUS AND FUND ALLOCATION -

- Health and wellbeing
- Infrastructure
- Human capital
- Inclusive development
- Innovation
- Minimum government and maximum governance



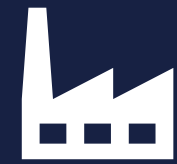
TRADE -

- Rationalizing exemptions on import of duty free items as an incentive
- to exporters
- Setting up of conciliation mechanism for quick resolution of contractual disputes
- Review of more than 400 old custom exemptions
- INR 15700 Cr allocated to MSME, double of this year's budget

INFRASTRUCTURE -

- **Vehicle scrapping policy** to phase out old and unfit vehicles – all vehicles to undergo fitness test in automated fitness centres every 20 years (personal vehicles), every 15 years (commercial vehicles)
- **Transport:** A new scheme of INR 18000 Cr to be launched to support augmentation of public bus transport system
- **Highway and road works** announced in Tamil Nadu Kerala, West Bengal and Assam
- **National Hydrogen Mission** to be launched to generate hydrogen from green power sources
- **Ports & Shipping:** Recycling capacity of ports to be doubled by 2024

3.5.1 Improving Manufacturing Sentiments



Production linked Incentive Schemes



Outlay of ₹ 1,97,000 Cr



13 Sectors



Pharmaceuticals and Biotechnology

- Budget outlay increased to INR 2.23Lakh Cr from INR 0.94Lakh Cr YoY
- INR 35k Cr - COVID Vaccine Manufacturing
- INR 64k Cr - Pradhan Mantri Swasth Bharat Yojna - Develop capability in Health Sector



Textile

- Mega Investment Textiles Parks (MITRA) - 7 Textile Parks
- Reducing BCD rates on caprolactam, nylon chips and nylon fibre & yarn from 35 to 5%



Energy

- Hydrogen Energy Mission to generate hydrogen from green power sources
- INR 1000 Cr to Solar Energy Corporation of India and INR 1500 Cr to Indian Renewable Energy Development Agency

3.5.1 Improving Manufacturing Sentiments



Automobile

- Voluntary scrapping policy
- Innovative PPP model, enabling private players to finance, acquire, operate and maintain over 20,000 buses



Ports and Shipping

- 7 projects worth more than INR 2,000 crores at major ports on PPP mode
- Subsidy support of INR 1,624 Cr to Indian shipping companies for global tenders



Roads & Railways:

- Western Dedicated Freight Corridor (DFC) and Eastern DFC to be commissioned by June 2022
- Revised framework of InVITs/ REITs - NHAI and PGCIL to attract foreign and domestic investors



Agriculture & Fisheries

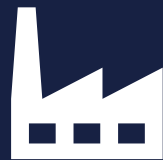
- Multipurpose Seaweed Park in TamilNadu
- 5 major modern fishing harbors to be developed - Kochi, Chennai, Vishakhapatnam, Paradip, Petuaghat.
- Inland fishing harbors and fish-landing centers to be developed

3.5.1 Improving Manufacturing Sentiments



Oil and Gas

- 100 more districts to be added to the City Gas Distribution
- Gas pipeline project to be taken up in Jammu and Kashmir



Iron and Steel

- Customs duty reduced to 7.5% on semis, flat, and long products of non-alloy, alloy, and stainless steels.
- Revoking ADD and CVD on certain steel products and reduction on copper scrap duty from 5% to 2.5%



Defence Manufacturing

- BCD has been reduced from 2.5% to 0% for components or parts, including engines, for manufacture of aircrafts by PSU
- Policy to result in minimal presence of CPSEs in the defence sector & remaining CPSEs to be privatized or merged or subsidiarized



Start-Ups

- Incorporation of One Person Companies (OPCs);
- Reducing residency limit from 182 days to 120 days for Indian Citizens setting up
- Eligibility for claiming tax holidays extended by one year, till 31st March 2022

PLI Schemes now include 10 more sectors



Production Linked Incentive

Significant financial incentives to boost domestic manufacturing

Attracting large investments in focus sectors

Benefits:

1 Make Indian manufacturers **globally competitive**

2 **Attract investment** and **enhance exports**

3 Ensure efficiencies & **create economies of scale**

4 **Drive innovation** and **cutting-edge technology**

5 Make India an **integral part of global supply chain**

Apr – Nov 2020

PLI I – Applications received

Sector

Outlay (\$ Bn)

Incentive of **4-6%** on incremental sales

Pharmaceuticals

~ \$0.9 Bn

Medical Devices

~ \$0.4 Bn

Mobile Phones & Electronic Components

~ \$5.5 Bn

November 2020 - Ongoing

PLI II - Ongoing

10 Sectors

Outlay (\$ Bn)

Automobiles and Auto Components

~ \$7.7 Bn

Advanced Chemistry Cell Battery

~ \$2.4 Bn

Pharmaceutical Drugs

~ \$2.0 Bn

Telecom and Networking Equipment

~ \$1.6 Bn

Food Products

~ \$1.5 Bn

Textile Products: MMF Segment and Technical Textiles

~ \$1.4 Bn

Specialty Steel

~ \$0.8 Bn

White Goods

~ \$0.8 Bn

Electronic Technology Products

~ \$0.7 Bn

High Efficiency Solar PV

~ \$0.6 Bn

Phase - II – Total Outlay

~ \$19.6 Bn

4. AREAS OF COLLABORATION

ELECTRONICS SECTOR

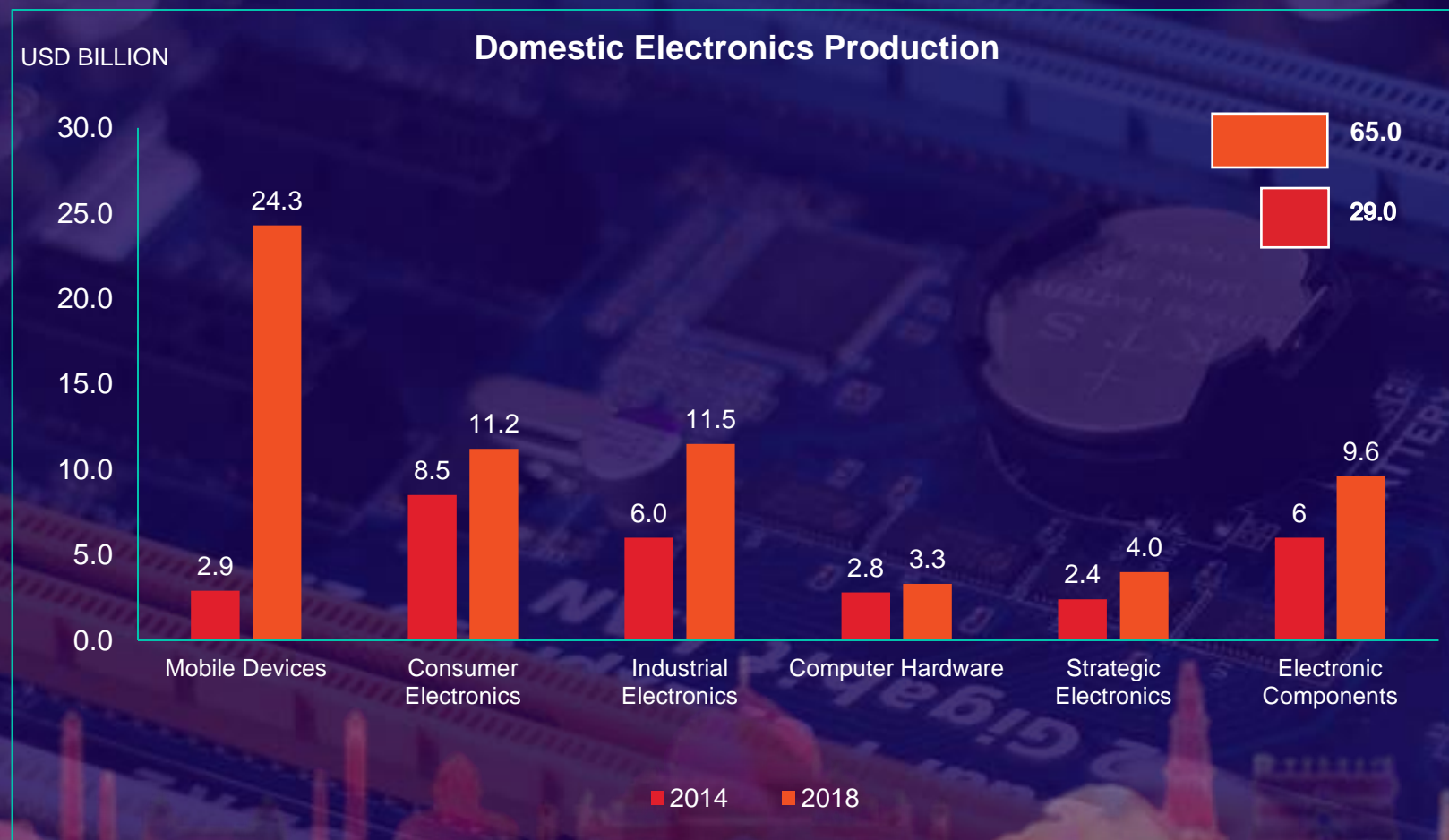
2nd Largest manufacturer of mobile phones in the world in 2018

\$120 bn Indian Electronics Market

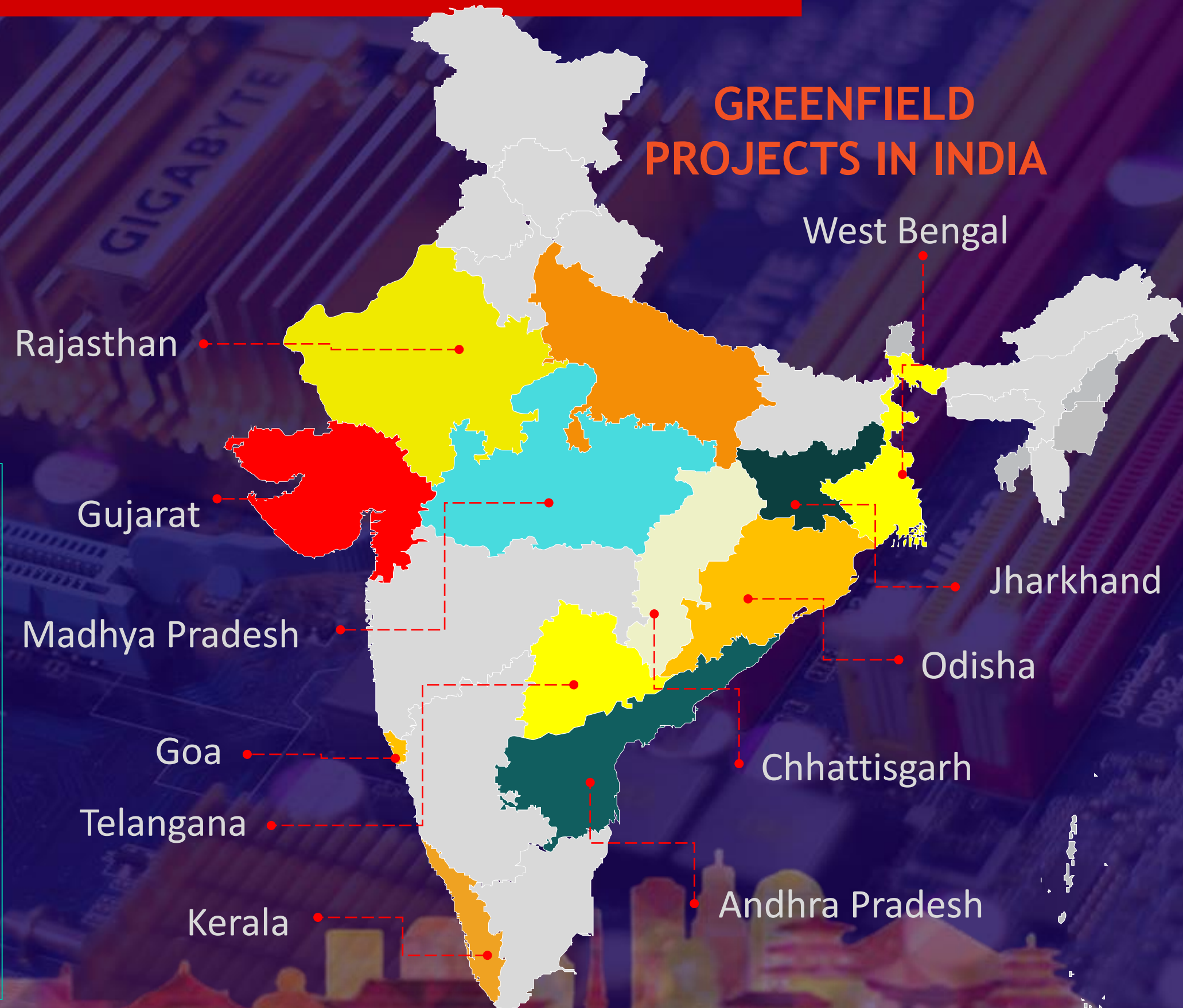
\$8.8 bn Exports in 2018-19

2.5% Contribution to GDP

Over 2x Growth in Electronics Production in 4 years



GREENFIELD PROJECTS IN INDIA



FOOD PROCESSING SECTOR

India Ranks



Food Infrastructure



* Under MoFPI assistance

Levels of Processing



India Opportunity

- Food Processing Industry valued at **USD 535 Bn** with a growth rate of ~8%
- Ready to Eat market to reach **USD 900 Mn** with a growth rate of ~16%
- Retail Market Size to reach **USD 1.2 Trillion** by 2021 with a growth rate of ~11.6 %
- Exports worth **USD 35 Bn** in 2019-20

Ancillary Opportunities



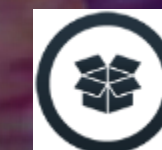
Technology and equipment



R&D and skill development



Infrastructure development



Packaging material & machinery 23

TEXTILES SECTOR

\$140.4 bn
Market size
(2018-19)

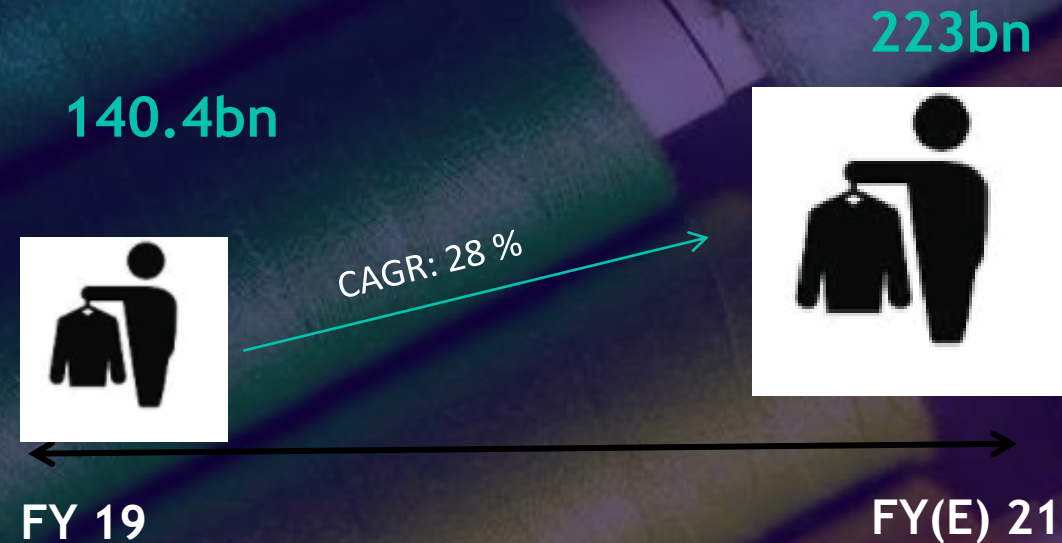
***Exports:**
\$36.6bn

100% FDI
allowed

FDI (2000-2020):
\$3.4 Bn

Special
Package for
Textiles

GROWING MARKET



CONTRIBUTION



MARKET LEADER

- 1st** Cotton and Jute producer
- 2nd** Largest Producer of silk
- 5th** Largest Textiles and Apparel Exporter
- 95%** Hand-woven fabrics of the world-Made in India
- 2nd** largest manufacturer of textile and apparel in the world, after China

ENABLING ECOSYSTEM

- 19** Operational Textile Parks
- 45mn** Employed Labor, 2nd Largest Employer after Agriculture
- \$250mn** Technology Upgradation Funds Scheme

Total trade including Handicrafts: US\$ 40.4 bn

** Excluding Handicrafts = US\$ 3.8 mn*
Source: Ministry of textiles website

AUTOMOTIVE SECTOR

India Ranks

- 1st** Largest market & manufacturer of two-wheelers & three-wheelers
Largest tractor manufacturer
- 2nd** Largest market for buses
- 3rd** Largest heavy truck manufacturer
- 4th** Largest market and manufacturer of passenger vehicle
- 7th** Largest manufacturer of commercial vehicles



100% FDI Automatic Route



40% Share in global R&D



35 Mn Employment generated

Sector Highlights

- Domestic production increased at 2.36% CAGR between FY16-FY20
- Vehicle penetration expected to reach 72 vehicles per 1000 people by 2025
- Auto exports increased at a CAGR of 6.94% during FY16-FY20
- Two wheelers and passenger cars accounted for a combined sale of over 20.1 million vehicles in FY20
- EV sales witnessed a growth of 20% in FY20

4.3%
Of Indian
exports

25/1000
PV Density

7.1%
of GDP

\$24.53 Bn
FDI
(Apr'00- June '20)

\$118 Bn
Market Size

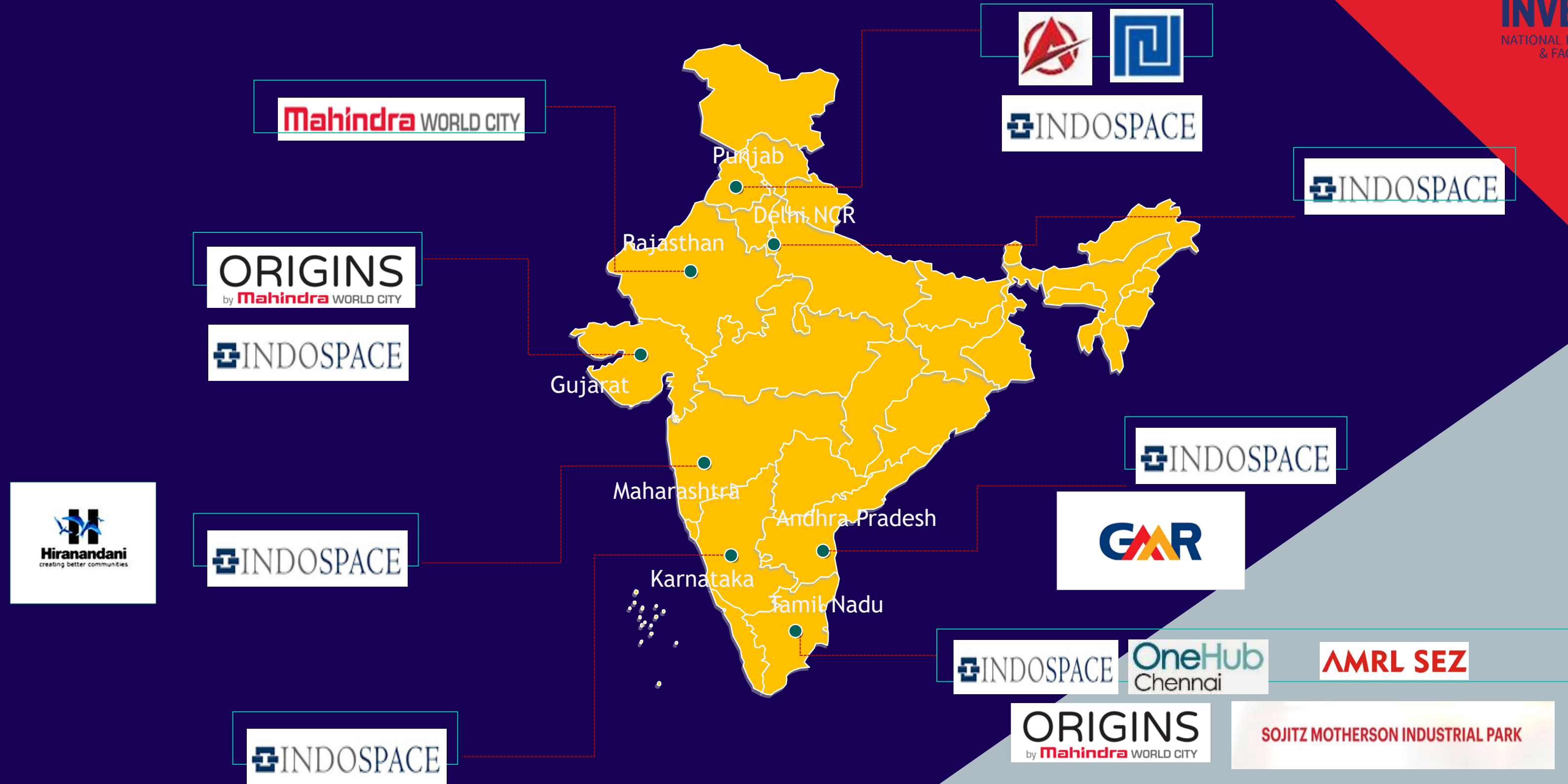
\$57 Bn
Auto
Component
Market Size

\$300 Bn
Expected
Market Size
by 2026

Plug & Play Facilities



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Decoding India's Social Infrastructure



- **City Profile**
- **International events**
- **Shopping malls & Leisure spots**
- **Cuisines Restaurants * Pubs * Markets**
- **International schools & Activities**
- **Weekend Getaways * Hotels**
- **Hospitals & Healthcare facilities**
- **World Class amenities**

Places covered

9 States

11 Cities

- Key Metros
- Tier 1
- Tier 2

About Invest India



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Government

Centre / States

Foreign Missions / Agencies

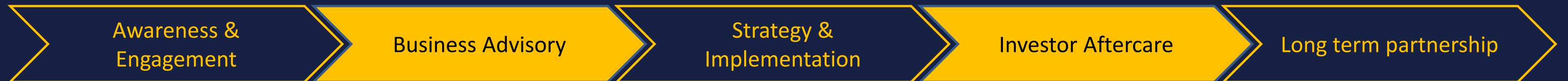


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Industry

Associations / Corporates

Professional Advisors / Academia



Opportunity Assessment

Partner / Location Search
Market Strategy

Regulatory Clearances
Policy Guidance

Issue Redressal

Continuous Engagements



UNCTAD Award
2016, 2018, 2020



AIM UAE : Best
Investment Project
Award : 2016 - 2020



Indian Ocean Rim
Association
Investment Award
2016