



Ministry Of External Affairs  
Government Of India



ECONOMIC  
DIPLOMACY  
& STATES  
DIVISION

# GLOBAL PARTNER

India has retained its position as the world's fastest-growing major economy. We are proud to note that at US\$2.6 trn, we are the world's sixth largest economy, accounting for 15% of global growth. We will sustain this momentum and surge ahead to become a US\$5 trn economy by 2025.

Union Minister for External Affairs,

**SMT. SUSHMA SWARAJ**

Unarguably, India's growth narrative has been the outcome of a bouquet of transformative and far-reaching reforms and progress achieved in key sectors of agriculture, services, and manufacturing. This has helped the country maintain a robust growth at 7% in the fiscal year 2018-19, compared with 7.2% in the previous fiscal. Meanwhile, the average GDP growth in the last five years has topped 7.5% defining a new normal for the Indian economy. Largely resilient to external pressures, we did not just generate a high growth rate, we were also able to contain double-digit inflation and restore fiscal balance.

One of the factors that have worked in India's favour is its demography. Demographics can change the pace and pattern of economic growth in a country. And, India's sprawling 1.3 billion population base offers a significantly large consumer market and a cost-efficient labour force. Moreover, 65% of India's population falls in the age group of 18 to 35 years. This young, digitally savvy cohort with rising purchasing power are evoking the interest of global corporate giants.

Investors are coming to India encouraged by Government initiatives to transform the way of doing business in the nation. Several next-generation structural reforms have paved the way for sustainable high growth. The launch of a unified tax system, the Goods and Services Tax (GST), the Insolvency and Bankruptcy Code, as well as the launch of single-point interfaces have pushed India up to the 77th position on the 2019 World Bank Ease of Doing Business ranking. The

emphasis on indigenous manufacturing through the 'Make in India' programme has also sparked investor interest. India is currently home to the 3rd highest number of unicorns globally, with our startups offering innovative solutions to the world.

It is no surprise then that India attracted a record US\$239 billion worth of foreign direct investments (FDI) from May 2014 to June 2018. This period also witnessed the liberalisation of the country's FDI policy, allowing the majority of the FDI to come through the automatic route. Investor confidence has also been echoed by the fact that India now figures as one of the two developing countries to score among the top 10 in AT Kearney's Foreign Direct Investment Confidence Index. India has emerged as the top recipient of Greenfield FDI inflows from the Commonwealth as well, as per a trade review released by the Commonwealth in 2018.

India made progress in other international rankings by moving up to the 40th position on the Global Competitiveness Index 2017-18. Another significant development has been that India's balance of payments improved, and we have strengthened our foreign exchange reserves, which stands at over US\$400 billion as of March 2019.

India is now an active participant in key global conversations. Committed to clean energy, we have been at the forefront of global efforts to address climate change concerns. As a signatory of the Paris Declaration, we helped establish the

International Solar Alliance (ISA), the first treaty-based inter-governmental entity headquartered in New Delhi. We are also fast moving towards our goal to achieve an overall renewable energy capacity of 175 GW by 2022.

For any developing economy, infrastructure is the backbone of development. Hence, in the last five years, we have focussed on bolstering our infrastructure by constructing 40 km of road on a daily basis, modernising railways, enhancing air and water connectivity, besides setting up 100 smart cities. Our US\$30 billion Smart Cities programme, which will transform 100 urban and semi-urban centres into future-ready, sustainable cities powered by state-of-the-art technology, is fast gaining traction. Our flagship Sagarmala Programme also aims to develop ports along our lengthy coastline for a quicker turnaround in the import and export cargo.

In the next five years, we expect our policy driven growth to make India emerge as an economic powerhouse across the Asia-Pacific region and beyond.

I hope this India Surging Ahead document will serve as a handbook to understand our vast country better and provide insights and details of all our multiple initiatives, programmes, and sectors.

**Union Minister for External Affairs,  
SMT. SUSHMASWARAJ**

# INDIA'S ECONOMY

**US\$2.6 trn**

Indian economy - 3.3% of global GDP (2017)

**7.5%**

GDP growth projected for 2014-15 to 2018-19

**7%**

GDP growth estimated in 2018-19

**7.2%**

GDP growth projected for 2019-20

**US\$33.5 bn**

FDI inflow  
(April-Dec 2018)

**7%**

GVA growth estimated for  
(2018-19)

**4.6%**

IIP growth  
(April-Dec 2018)

**29.3%**

Rise in per capita net income  
(2014 -15 to 2017-18)

**14.6%**

Rise in overall imports:  
US\$479.5 bn (April-Dec 2018)

**3.7%**

CPI inflation  
(April-Dec 2018)

**3.8%**

Industrial production growth  
(2014 -15 to 2017-18)

**12.6%**

Rise in merchandise imports  
(April-Dec 2018)

**@ US\$510.4 bn**

External debt at end-Sept  
2018

**20%**

Rise in forex reserves  
(14 -15 to 17-18)

**13.8%**

Rise in overall exports:  
US\$396.7 bn (April-Dec 2018)

**4.8%**

WPI Inflation  
(April - Dec 2018)

**US\$389 bn**

Budget outlay (2019 - 20)

**@ 3.4% of GDP**

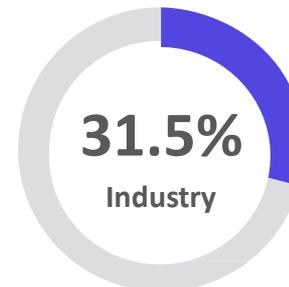
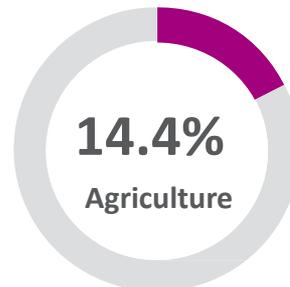
Fiscal deficit estimated  
(2019 - 20)

**US\$900 bn**

Export target by 2020

## CONTRIBUTION TO GDP

Agriculture, industry and services  
sectors grew by 3.8%, 7.8% and  
7.3% in 2018 - 19



# INDIA'S DEMOGRAPHIC STRENGTH

**Empowered with unique demographic advantages, India is racing to rank among the world's most developed economies in the next decade. India's young workforce is gearing up to play a major role in**

- Driving economic progress
- Improving labour productivity
- Increasing domestic manufacturing
- Enhancing revenue from services
- Bolstering indigenous innovations
- Enhancing India's purchasing power



**2<sup>nd</sup> largest**

population base : 1.3 bn



**+74%**

Steadily improving  
literacy rate



**8<sup>th</sup> largest**

in Science/Engg graduate  
population



**53.8%**

Labour participation rate  
(2017)

# BY 2020

29 years - average age in India

World's youngest population

47 mn surplus workforce in India

# BY 2030

32 years - average workforce age

India's workforce will have an  
average age of 32 years against  
that of 43 years in China and 39  
years in USA

# EASE OF DOING BUSINESS



**A World Bank ranking credits India with an improved environment for doing business**

**65 points** crossed by India in the last 4 years, to reach **77<sup>th</sup>** rank on World Bank's Ease of Doing Business 2019 report

**25+** leading policy initiatives undertaken by Indian Government since **2014** to facilitate economic growth

**20+** Central Government services integrated with the e-Biz Single Window IT Platform

**29** Indian states and **7 UTs** ranked on Ease of Doing Business by Central Government, along with the World Bank in **2018**

**US\$33.5 bn** of Foreign Direct Investment (FDI) inflow reported during April to December **2018**

**US\$396.7 bn** worth of total exports reported over April-December **2018-19**, recording **13.8%** growth from the previous year

India aims to be among the top **50** in Ease of Doing Business by **2020**

**Invest India** : Investor facilitation cell established to guide, assist and handhold investors during the entire life cycle of a business

**Ease of Doing Business problems** being resolved using technology, under a grand challenge launched by PM Narendra Modi

## HIGHLIGHTS OF BUDGET 2019-20



**+US\$10.5 bn income support to farmers under PM-KISAN policy**



**100 mn workers in the unorganised sector to receive pension benefits under the PM-SYM policy**



**US\$44.7 bn earmarked for defence and security: Highest ever allocation**



**A National Artificial Intelligence Portal to be developed as part of a Government initiative on AI**



**+7% sectoral growth, with a separate Department of Fisheries to aid 14.5 mn livelihoods**



**US\$980 mn, all-time high allocation for MSMEs; given an Export Promotion Cell**



**Single window clearance for ease of shooting films extended to Indian filmmakers**

# MAKE IN INDIA

25 key sectors have been covered under the Government of India's Make in India initiative



## Agriculture

2<sup>nd</sup> in the world in terms of farm output, agriculture is the backbone of the Indian economy, contributing majorly to the country's GDP



## Auto Components

Original Equipment Manufacturers contribute 2.3% of India's GDP, employing over 3 mn people



## Automobile

Indian auto industry is the world's 4<sup>th</sup> largest, manufacturing 25 mn vehicles annually



## Aviation

India is currently the world's fastest growing, and 3<sup>rd</sup> largest, domestic civil aviation market



## Biotechnology

India is among the world's top 12 biotechnology destinations



## Chemicals

India's chemicals sector covers 80,000 products expected to reach US\$300 bn by 2025



## Construction

India needs investments of over US\$700 bn by 2022 in infrastructure construction



## Defence Manufacturing

India plans to spend US\$130 bn on military modernization over the next 5 years



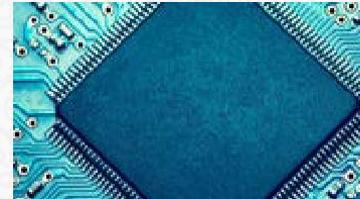
## Education

India has one of the largest networks of higher education institutions in the world, focused on improving primary, secondary and higher education



## Electrical Machinery

India's installed electricity generation capacity is reported to be around 350 GW



## Electronic Systems

India, one of the world's largest electronics markets, expected to grow to US\$400 bn by 2025



## Food Processing

Indian food processing industry accounts for 32% of the nation's total food market



## IT-BPM

IT-BPM industry is expected to grow to US\$350 bn by 2025, from US\$167 bn in 2017-18



## Leather

India's leather industry has steadily matured from a raw material market to exporter of value-added products



## Media & Entertainment

Indian M&E industry is expected to grow to US\$39.7 bn by 2023 from US\$22.3 bn in 2018



## Mining

Indian mining industry, which produces 95 minerals, is estimated to reach US\$126 bn by 2025



## Oil and Gas

India, the world's 3<sup>rd</sup> largest oil market has been steadily opening the sector to FDI



## Pharmaceuticals

India, the world's largest supplier of generic drugs, is a leading pharma R&D centre



## Port and Shipping

India has 12 major and 200 notified minor and intermediate ports, with more coming up



## Railways

India's rail network, the 3<sup>rd</sup> largest in the world, spreads over 115,000 km and moves 23 mn people daily



## Textile

India has emerged as the only place where handloom fabrics are produced on a commercial scale



## Renewable Energy

India is ahead of schedule in setting up 175 GW of new renewable energy capacity by 2022



## Thermal Power

India's total thermal power capacity of over 223 GW represents 64% of its total capacity



## Roadways

Government's Bharatmala program will set up over 84,000 km of highways by 2022



## Tourism

India ranks 3<sup>rd</sup> in the World Travel & Tourism Council's Power and Performance rankings



## Space

Indian Space Research Organization has emerged as a leading satellite launching agency globally



## Wellness

India's AYUSH market, valued at over US\$10 bn, is expected to grow to US\$21 bn by 2020

# POLICY-DRIVEN ECONOMIC GROWTH

The Indian Government has launched a number of path-breaking policies to fuel growth

## The Goods and Services Tax (GST)

a unified nation-wide single tax regime that replaced 17 indirect taxes and a host of cesses, has expanded India's tax base and strengthened the financial ecosystem, while aiding productivity

## The Insolvency and Bankruptcy Code (IBC)

effective December 2016, has introduced market-determined and time-bound framework for efficient resolution of outstanding debt owed to institutional lenders

## National Intellectual Property Rights (IPR)

policy launched in 2016 to create a conducive ecosystem for innovation and creativity not only in terms of IP awareness and creation, but also commercialization and enforcement

## The Merchandise Exports from India Scheme (MEIS)

introduced in September 2018, simplified procedures for traders exporting goods from India to avail export incentives. This promotes Ease of Doing Business in India

## Aadhaar biometric system

an identity mapping tool, for critical economic and government functions, bringing unparalleled transparency and efficiency in the system. This has bolstered state reforms

## NITI Aayog

has been set up to drive national growth, involving Central and State Governments. Their ongoing projects include the National Mission on Artificial Intelligence as well as one on the holistic development of Indian islands

## Initiatives



Make in India has empowered indigenous manufacturing



Digital India has boosted uptake of e-Government services



Skill India has driven skill development in varied sectors



Startup India has empowered grassroot entrepreneurship



Incredible India promotes India as must visit, must- experience country

# INFRASTRUCTURE TO PROPEL OPPORTUNITIES

India is putting in place the infrastructure to enable unparalleled development



## Bharatmala Pariyojana

aims to build over **84,000 km** of new highways across India by 2022, with an investment of over **US\$110 bn**

## Smart Cities Mission

aims to set up **100** sustainable urban centres with a budget of over **US\$30 bn** to drive economic development

## Sagarmala Programme

aims to build over **600** marine and inland waterway and related projects with a budget of over **US\$125 bn**

## 175 GW Installed Renewable Capacity

targetted by 2022 to add to the national grid and aid **100%** electrification

## +US\$14 bn Railway Station Modernization

to involve private entities through Indian Railway Station Development Corp (IRSDC)

## Swachh Bharat Mission

focuses on sanitation, waste management, water supply and other development projects across India

## Industrial Corridors

Amritsar-Delhi-Kolkata Industrial Corridor  
Bengaluru-Mumbai Economic Corridor  
Chennai-Bengaluru Industrial Corridor  
Delhi-Mumbai Industrial Corridor  
Visakhapatnam-Chennai Industrial Corridor

## UDAN Scheme

Airports Authority of India (AAI) will connect **22** airports under this regional connectivity scheme in the **1<sup>st</sup>** phase

# INDIA'S PROGRESS IN GLOBAL RANKINGS

A high-angle, top-down photograph of a large crowd of people running a marathon on a light-colored surface. The runners are densely packed in a diagonal line that curves from the bottom left towards the top right. The runners are wearing various colored athletic gear, creating a vibrant, multi-colored trail. The background is a plain, light-colored surface, possibly a road or a large open area. The overall scene conveys a sense of movement, progress, and global participation.

One of the emerging economies of the future, India is seen as an attractive partner by other nations of the globe, who seek to benefit from India's potential



**77<sup>th</sup>** on World Bank's Ease of Doing Business 2019 ranking. 65 points crossed by India over the last 4 years

**5<sup>th</sup>** largest global manufacturer, India was ranked 30th on the World Economic Forum's Future of Production Report 2018

**7.6%** GDP growth estimated for India in 2019, according to UN World Economic Situation and Prospects 2019 report

**58<sup>th</sup>** in the World Economic Forum's 2018 Global Competitiveness Index

**No.1** recipient of Greenfield Foreign Direct Investment among the Commonwealth block of 53 countries, from 2003–2016

**No.1** emerging market for global partner investment, as per Emerging Market Private Equity Association (EMPEA)

**India's sovereign bond rating,** raised by Moody's in 2017 after a gap of 13 years, to Baa2 from Baa3

**Fastest growing major economy** in the world, as per the World Bank and International Monetary Fund (IMF)

**126<sup>th</sup> position** in per capita GDP among +200 countries – IMF's 2017 World Economic Outlook Report

**Largely positive outlook for India,** led by robust consumption, investment and reforms as per UN's WESP 2018 report



# RISING FOREIGN INVESTMENT

India's FDI inflows were the highest ever in the last calendar year, with a number of new mergers and acquisitions

**Leading FDI destination**  
owing to steady policy amendments

**Rank 1**  
on the Baseline Profitability Index  
(BPI)

**US\$6 bn corpus** for  
National Investment and Infrastructure Fund

**US\$33.5 bn FDI inflow**  
(Apr-Dec 2018)

BPI Ranking:  
**India : 1**  
USA : 50  
China : 65

**14.6%** rise in overall imports to  
US\$479.5 bn (Apr-Dec 2018)



## 100% FDI allowed

in 92% of sectors including:

- Mining – Coal and lignite; metal & non-metal ores; Oil and Gas exploration
- Industrial parks
- Airports
- Construction
- Telecom
- Defence manufacturing
- Non-banking finance and asset management companies
- Credit agencies
- Pharmaceutical, Bio-tech, Medical Devices
- Greenfield & Brownfield projects
- Trading – B2B and B2C
- E-commerce
- Food processing
- Single-brand retail
- Real estate broking services
- Railway infrastructure
- Broadcasting
- Civil aviation

## Top investing nations

Mauritius, Singapore, Japan, UK, Netherlands, USA, Germany, Cyprus, France and United Arab Emirates

## Top FDI sectors services,

computer software and hardware, telecommunications, infrastructure development, trading, automobile, chemicals, pharmaceuticals, construction and power

## Top FDI regions

Mumbai, New Delhi, Bengaluru, Chennai, Ahmedabad, Hyderabad, Kolkata, Chandigarh, Kochi, Jaipur

## Top 10 ODI destinations

Mauritius, Singapore, USA, UAE, Netherlands, UK, Switzerland, Russia, Jersey, British Virgin Islands

## Highest ODI outflows

Manufacturing, financial services, retail, logistics, agriculture and mining, community services, energy and water, construction and others

## India's Overseas Direct Investment (ODI)

Cumulative ODI outflows (from April to Dec 2017)

**US\$7.3 bn**

Cumulative ODI outflows

**US\$16.6 bn**

Cumulative ODI (financial commitment)

# INDIA SECTORS

The Indian economy is driven by 3 main categories, namely Agriculture, Services and Manufacturing.

A number of sectors or industries are covered under these 3 main categories. For the purpose of this document, 25 key sectors have been identified as those which are surging ahead and have the potential to form the pillars of one of the world's largest economies in the years ahead.



# AGRICULTURE

Ranked 2<sup>nd</sup> in the world in terms of farm output, agriculture is the backbone of the Indian economy, contributing majorly to the country's GDP. Demographically, it is the broadest economic sector, playing a significant role in the socio-economic fabric of the country.

## INDIA

20

agri-climatic regions



15

of the major climates in the world can be experienced



46

soil types



## PERFORMANCE

- No. 1** globally with highest net cropped area
- US\$274 bn** Gross Value Add (GVA) for the agriculture sector in 2018
- Production base of **285 mn tonnes**
- US\$38.21 bn** agricultural exports from India in FY18
- 2<sup>nd</sup>** largest producer of wheat, rice, fruits and vegetables, sugarcane, cotton, and oilseeds
- 2<sup>nd</sup>** in global production of fruits and vegetables
- 6<sup>th</sup>** largest food and grocery market in the world
- 9<sup>th</sup>** largest exporter of agricultural products
- US\$3.1 bn** of spice exports in 2017-18
- No. 1** producer of mango and banana
- No. 1** producer of spices, pulses, milk, tea, cashew and jute
- 93.8 mn** tonnes of rice grown in 2016-17
- 93.5 mn** tonnes of wheat produced in 2016-17
- 362.3 mn** tonnes of sugarcane produced
- 32.1 mn** bales of cotton produced



## Food Crops

- Maize** - 19.3 mn tons
- Millets** - 340 K tons
- Pulses** - 8.7 mn tons

## Plantation Crops

- Coffee** - 320 K tons
- Coconut** - 1.42 mn tons
- Tea** - 1.2 mn kgs
- Rubber** - 774 K tons

## Cash Crops

- Tobacco** - 778 K tons
- Jute** - 9.9 mn bales

## Horticulture

- Fruits** - 97 mn tons 2017-18
- Vegetables** - 1.7 mn tons 2017-18



## POLICIES

'**Pradhan Mantri Annadata Aay SanraksHan Abhiyan**' (PM-AASHA), to ensure fair prices for farmers

**Electronic National Agriculture Market** (eNAM), to create a unified national market for agricultural commodities

**Agriculture Export Policy** to increase India's agricultural exports to US\$60 bn by 2022

**AGRI-UDAAN** programme to mentor startups and to connect them with potential investors

**100% FDI** in marketing food products and food product e-commerce under automatic route



## POTENTIAL

India expects to **double farm income** by 2022

**3 times** increase in capacity in food processing sector

**Increased** investments in infrastructure, such as irrigation, warehousing and cold storages

**Food Processing** industry poised for huge growth

**Agri infrastructure** including farm roads

**Agricultural credit** sector set for growth

**Digital** innovations

**Storage** and warehousing facility

**Transport** logistics

**Agri tech**

**Seed technology**

**Agricultural machinery**

**Organic farming**

## PROGRAMS

Development of **mega food parks**

Leveraging the **Farmer Producer Organisations (FPOs)**

**Water** management initiatives

Developing the **startup ecosystem**

## Government Support

**100 mn** plus **Soil Health Cards** distributed  
**Soil health mobile app** launched to help farmers

**22,000** Gramin Haats for direct purchase of agricultural commodities from the farmers

**eNAM** initiative launched to provide an electronic online trading platform

**Paramparagat Krishi Vikas Yojana** developed in the North East

**Minimum support price** notified for certain crops

**National Food Security Mission** being implemented in 638 districts of 29 states

**Micro Irrigation Fund**

## Investment

Agri-preneurs set up agri-based processing units with VC funds of **US\$234.3 mn** in 2018

MoU signed for **cooperation in agriculture** and allied sectors between India, Iran and Uzbekistan



# AUTOMOTIVE COMPONENTS

India's auto-components sector is an important pillar of its economy. The sector which accounts for 2.3% of India's GDP currently is set to become the 3<sup>rd</sup> largest in the world by 2025. Having backward and forward linkages, the automotive sector is fast turning

into a global automotive designing and manufacturing hub. The sector's trained and highly skilled manpower is one of its main advantages. India's proximity to markets such as ASEAN, Japan, Europe and Korea are added advantages.

## AUTOMOTIVE COMPONENTS INCLUDE

- ⚙️ Drive transmission
- ⚙️ Suspension
- ⚙️ Body / Chassis
- ⚙️ Steering Electricals
- ⚙️ Braking
- ⚙️ Interiors
- ⚙️ Electronic components
- ⚙️ Rubber components
- ⚙️ Engine components
- ⚙️ Consumables Cooling systems



Growth in Turnover



Growth in Exports



Growth in Imports



Growth in Aftermarket

## INDIA: A GLOBAL HUB FOR AUTO COMPONENTS



lower cost advantage compared with Europe and Latin America



of global engineering and R&D activities undertaken in India



imports auto components from China, Germany, Japan, South Korea, USA, Thailand, Italy, UK, Czech Republic and France

# PERFORMANCE

**US\$51.2 bn** current revenue

**3 mn** technically trained workers

**US\$9.2 bn** revenue from the domestic aftermath industry comprising tyres, battery and brake parts

**US\$13.5 bn** total value of India's automotive exports in 2017-18

**4%** share in India's exports

**US\$19.29 bn** FDI inflows: April 2000 – June 2018

**160** countries import components from India, including USA, Germany, Italy, Turkey, UK, Bangladesh, Brazil and Mexico

# POTENTIAL

**5x** growth in next 10 years

**4<sup>th</sup>** largest component manufacturing industry by 2026

**US\$100 bn** growth expected by 2020

**US\$80-US\$100 bn** growth in export expected by 2026

**US\$32 bn** by 2026 expected from the domestic aftermath industry

**US\$200 bn** turnover expected by 2026

**12%** contribution to GDP expected as a result of policy reforms

**US\$816.98 mn** worth opportunities in automobile components sector

**Shift towards** electric, electronic and hybrid automobiles will open up new opportunities

# POLICIES

**100% FDI** under automatic route and no restrictions on import-export

## National Auto Policy

**Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME)** India Scheme to promote manufacturing of electric and hybrid vehicle technology and to ensure sustainable growth

National Electric Mobility Mission Plan

## Automotive Mission Plan (AMP) 2016-26

- ✓ Contribution to GDP will go up to over 12%
- ✓ Around 65 mn incremental jobs to be created

# PROGRAMS

Manufacturing **low-cost electrical vehicles**

Voluntary **fleet modernization** program

Setting up **automotive training institutes**, auto design centres, special auto parks and virtual SEZs

Power **electronics & motors**, Systems integration, Battery management systems

**R&D** and testing infrastructure

**PPP** based industry investments in R&D and development of commercially viable technologies



# Government Support

**No restriction** on import and export

**R&D** incentives for industry and private sponsored research

150% weighted **tax deduction** on scientific research in R&D centers

Individual **state incentives**

## Export incentives

## Area based incentives

# Investment

**Sanand Auto Cluster Project**, Ahmedabad

**Invention Factory**, Maharashtra

**Automotive Manufacturing Unit**, Lucknow, UP

**Technology to Curb Vehicular Emissions**, Maharashtra

**Automotive Suspensions Project**, Pitampur, MP

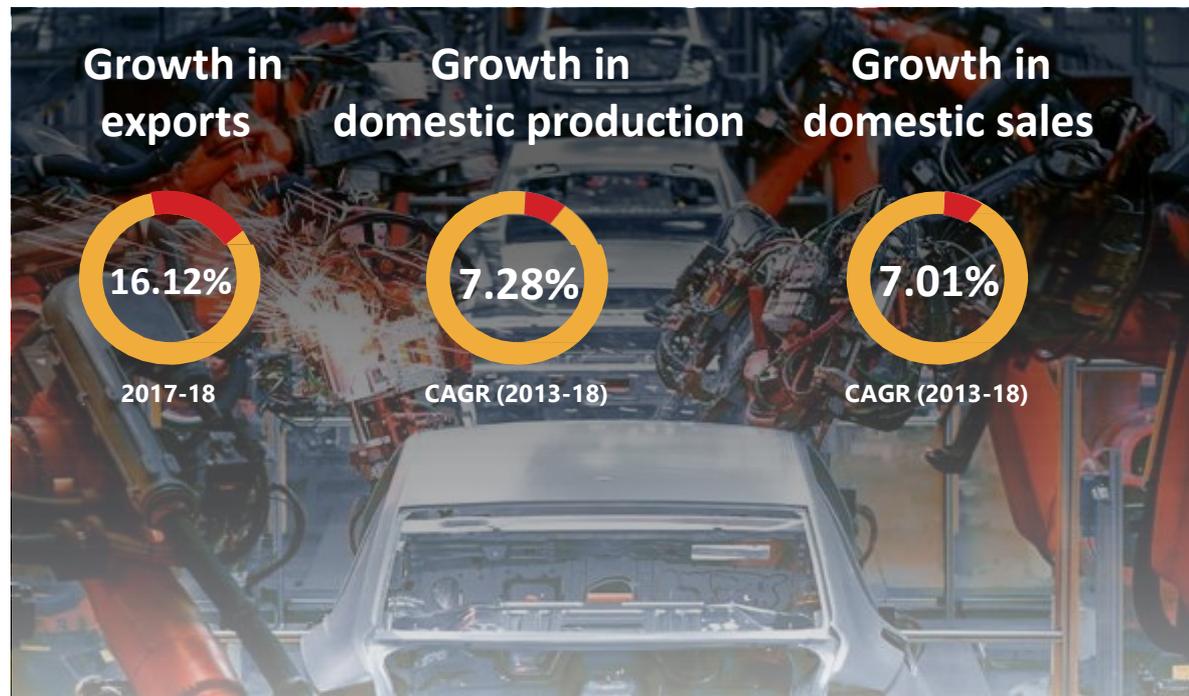
**Automotive Component Project**, Maharashtra

# AUTOMOTIVE

India's Automotive Sector enjoys favourable factors, such as availability of skilled labour at a low cost, robust R&D centres and low-cost steel production. Global auto majors have been ramping up investments in India to cater to the growing domestic demand, as well as to leverage India's competitive advantage

to set up export-oriented production hubs. India's research and academic institutions are currently driving disruptive mobility solutions like electric mobility and self-driving cars. India aims to reduce its carbon footprint by 33-35% by 2030 and envisions 100% electrical mobility by 2030.

India currently accounts for 40% of the automotive sector's total global engineering and R&D spend worth US\$31bn. It has a 7% share in India's GDP and employs 19 million trained, skilled people.



## PERFORMANCE

**US\$74 bn** sector

- No. 1** two-wheeler and three-wheeler manufacturer in the world
- No. 1** tractor manufacturer in the world
- 2<sup>nd</sup>** largest bus manufacturer in the world
- 3<sup>rd</sup>** largest heavy truck manufacturer in the world
- 4<sup>th</sup>** largest car manufacturer in the world
- 7<sup>th</sup>** largest commercial vehicle manufacturer in the world
- 7.08%** increase in CAGR in domestic automobile production
- 25 mn** vehicles manufactured in India currently
- 3.5 mn** vehicles exported
- 4.3%** share in exports
- US\$19.29 bn FDI** from April 2000 to June 2018

# POTENTIAL

**3<sup>rd</sup>** largest automotive market in terms of volume, by 2026

**No. 1** in shared mobility by 2030

**15%** CAGR growth to reach US\$135 bn by 2020 and US\$300 bn by 2026

**72** vehicles per 1000 population by 2026

**5** auto hubs as a base for export to South East Asia (SEA), Middle East and North African (MENA) regions

**5x** hike in exports in the coming years

R&D centres set up at a cost of **US\$388.5 mn** to be on par with global standards

**Immense opportunities** for manufacture of electric and autonomous vehicles

# POLICIES

**100% FDI** under automatic route

The **National Auto Policy** envisions India to be No. 1 in production and sales of automobiles

**National Electric Mobility Mission Plan** to encourage reliable, affordable and efficient EVs

**Faster Adoption and Manufacturing** Of (Hybrid &) Electric Vehicles In India (FAME)

**New Green Urban Transport Scheme** to promote low carbon sustainable public transport system

# PROGRAMS

## Prospects

Manufacturing **passenger vehicles**, 2-wheelers, 3-wheelers and commercial vehicles

Manufacturing **low-cost electric vehicles** for safe short-distance urban commutes

Participation in voluntary **fleet modernization** program

Setting up **automotive training institutes**, design centres, parks and virtual SEZs for auto components

**Power electronics & motors**, Systems integration, Battery Management Systems R&D and testing infrastructure

**PPP** based investments in R&D of commercially viable technologies through a Hybrid Annuity Mode

**Technology development**, demand development, pilot projects and EV charging infrastructure



# Government Support

R&D incentives for industry and private sponsored research

Weighted **tax deduction** of 150% of expenditure incurred on scientific research in R&D centers

Individual **state incentives** with regards land at concessional rates, power supply and tariff and financial incentives

**Export incentives Area based incentives**

## Investment

**Sanand Auto Cluster Project**, Ahmedabad

**The Invention Factory**, Maharashtra

**Automotive Manufacturing Unit**, Lucknow



# AVIATION

One of the fastest-growing industries in India, the Aviation sector is poised to be the growth engine for future progress. It is a vital sector for linking businesses, bringing people together and promoting tourism worldwide. In the next two decades, the growth of air passenger traffic in India will open up tremendous opportunities

for investment in infrastructure development & upgradation and manpower. With its large pool of engineering talent and low labour costs, India also has the potential to become a global aviation hub for MRO (Maintenance Repair and Overhaul).



India has **464** airports and airstrips

**125** airports owned by Airport Authority of India

**5** Indian carriers and **81** foreign carriers (AAI)

**78%** of domestic passenger traffic managed by AAI

**22%** of international passenger traffic managed by AAI

India is connected to most major cities and countries

## PERFORMANCE

**US\$1.66 mn FDI**

between April 2000 and June 2018

**No. 1**

fastest growing aviation market in the world

**8 mn**

jobs supported by the aviation sector currently

**181.72 mn**

domestic passengers

**0.30 mn**

international flights to and from India

**226.80 mn**

passengers travelled to India and within India in 2018

**14.1 %**

growth over the last 5 years in passenger traffic

**45.08 mn**

international passengers

**US \$72 bn**

contribution to India's GDP by the aviation sector

**\$950 mn**

Maintenance, Repair & Overhaul (MRO) industry at present

**2.41 mn**

tonnes of freight carried

**1.43 mn**

domestic aircrafts flown

# POTENTIAL

**US\$120 bn** investment by Government of India in airport infrastructure and aviation navigation

**3<sup>rd</sup>** largest aviation market globally by 2020

**11.4 MT** freight traffic in Indian airports expected by 2032

**800** aircrafts - India's expected fleet size by 2020

**250** brownfield and greenfield airports to be operational by 2020

**M&A** activities on the increase

**US\$2.32 bn** investment by GoI for expanding existing terminals and constructing 15 new terminals

**US\$1.2 bn** growth in MRO by 2020

**Personal aviation** by corporates and individuals

# POLICIES

**100% FDI** is permitted under the automatic route in non-scheduled air transport services, helicopter services and seaplanes, MRO and Ground Handling Services.

**49% FDI** allowed under automatic route in scheduled air transport service and domestic scheduled passenger airline.

Indian aircraft Manufacture, Repair and Overhaul (MRO) service providers are **exempted from customs** and countervailing duties

**National Policy on Civil Aviation**

**Policy on Regional and Remote Area Air Connectivity**

Airport Authority of India **Startup Policy**



Regional connectivity scheme of **UDAN** to connect 56 unserved airports and 31 unserved helipads

**NABH Nirman**, announced this year, aims to expand airport capacity by more than five times

**Maintenance Repair and Overhaul Services Policy**

# PROGRAMS

**300** business jets, 300 small aircraft and **250** helicopters to be added to the Indian fleet

**US\$2.58 bn** towards Navi Mumbai airport

**6 greenfield airports** in Andhra Pradesh under PPP model

**Airport modernization** in non-metro towns and the North East region

**Airport modernization** projects by AAI

**MRO facilities development**

Development of **aviation in the North-East**: Guwahati as an inter-regional hub and Agartala, Imphal, and Dibrugarh as intra-regional hubs

**Special Economic Zone** (SEZ) Aerotropolis model to increase revenue from retail, advertising and vehicle parking, security equipment and services

# Government Support

**Viability gap funding** to airline operators operating in unserved and underserved locations, on routes ranging up to 800 km

Government approved **17 Greenfield airports** in the country, to be executed and financed by the respective airport owners at an estimated investment of around Rs.30,000 crore

**Air SEWA** mobile application launched

Initiatives like **WINGS-2017** allows State Governments to market themselves to Airline Operators

# Investment

**Airport Project Phase-II**, Chennai, Tamil Nadu

**MRO Complex Project**, Jewar Airport, Uttar Pradesh

**Private Cargo Complex Project**, Jewar Airport, Uttar Pradesh

**Airport Project**, Dholera, Gujarat

# BIOTECHNOLOGY

The Department of Biotechnology is shaping the sector into a premier precision tool for the creation of well-being and wealth. India has become a hub of biotech research and production, and attracted large global investment in terms of FDI, partnerships and technology transfer. India's educated talent pool and its abundant resources

have been the major drivers of this sector. The country offers cost-effective manufacturing capabilities as compared to other manufacturing economies. World-class engineering, funding, mentoring, hand-holding and infrastructure support are added incentives to partner with India.

## Focus Areas



Basic Research



Medical Biotechnology



Agricultural Biotechnology



Food and Nutrition



Human Resource Development



International Collaborations



Animal Biotechnology

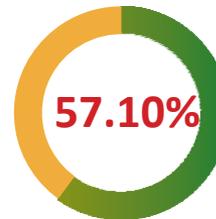


Bioinformatics

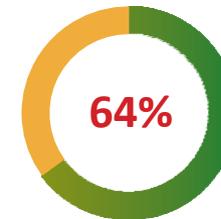


Bioresources, Environment and Bio-energy

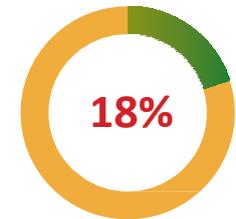
## Sector Revenue



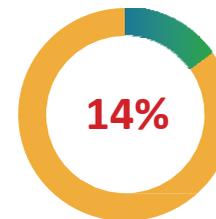
Annual industrial growth



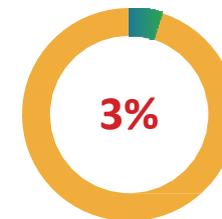
Bio-pharma revenue share



Bio-services revenue share



Bio-agri revenue share



Bio-industrial revenue share

# PERFORMANCE

**3<sup>rd</sup>** largest biotech destination in the Asia Pacific region

**No. 1** supplier of affordable vaccines

**No. 1** producer of BT Cotton in the world

**No. 1** producer of recombinant Hepatitis B vaccine

**2<sup>nd</sup>** highest number of US Food & Drug Administration (USFDA)-approved manufacturing plants outside the US

**3%** share in global biotechnology industry

One of the **top 12** destinations for biotechnology in the world

**20** countries and international philanthropic organizations partner with India

**30** bio-incubators and biotech parks

**+523** USFDA approved drug manufacturing facilities

**+800** biotechnology companies driving global partnerships

**R&D strengths** on par with the global bests

**Top destination** for clinical trials, contract research & manufacturing

# POLICIES

**100% FDI** under the automatic route for greenfield pharma and under the Government route for brownfield pharma

**100% FDI** under the automatic route for the manufacturing of medical devices

The **Bioenergy Roadmap** – Vision 2020: Towards viable green and clean technologies for bioenergy security

**National Biotechnology Development Strategy** -To focus on building coherence, connectivity and synergy between disciplines

**National Guidelines for Stem Cell Research**

**Biotechnology Industry Research Assistance Council (BIRAC)** – To empower emerging biotech enterprises

**BioNEST** – Providing cutting edge access to the best bio-incubation environs

**National Intellectual Property Rights Policy** to expedite critical IPR filings

**Open Access Policy** of Dept of Biotechnology & Dept. of Science & Technology





## POTENTIAL

**US\$354.7 mn** worth of investment opportunities

**New biotechnology clusters**, biotech incubators, TTOs, and bio-connect centres

**Preventive, therapeutic and diagnostic tools** for major infectious diseases

Can be a **major producer** of transgenic rice and GM vegetables

**175,000 sq. ft.** facility planned to support 50 world class bio-incubators

**US\$100 bn** target to be achieved by 2025

**Biofuel technology** development for alternate energy in transportation

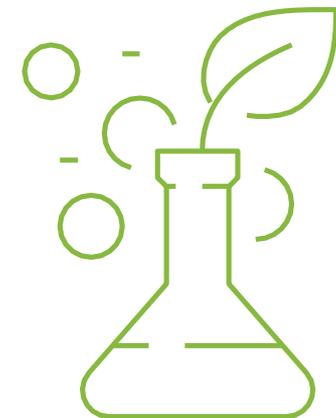
**Hybrid seeds**, including genetically modified seeds

**Drug discovery and clinical trials**

**Medical devices manufacturing**

**Biosimilars**

**Secondary agriculture**



# PROGRAMMS

**Clinical studies** and drug research

Development of **medical devices**

**R&D** activity around biosimilars

Secondary **agriculture research**

**Biotech parks** and infrastructure

**Centres of Excellence** and Innovation in Biotechnology

**Research Resources**, Service Facilities and Platforms

**Rapid Grant** for Young Investigators

**Special Programs** for North-East region

**Women Scientist Scheme**

## Government Support

**150% tax deduction** on R&D

**US\$371 mn** in Union Budget 2018-19

**30 bio-incubators** and biotech parks established and supported

**100 Intellectual Property Rights**

104 new startups, 346 companies, 509 projects including 115 collaborative projects supported through **BIRAC**

**175,000 sq. ft.** bio-incubation space to support 50 world class bio-incubators by 2020

**5 University Innovation Clusters** and 1 regional innovation center created

**15** new biotechnology incubators

**3000 startups** to be incubated

## Projects

**Biotechnology Park,**  
Bangalore

**Synthetic Organic Chemicals Project,**  
Vatva, Gujarat

**Drug & Surgical Consumables Unit,**  
Lucknow, Uttar Pradesh

**Pharmaceutical Park,**  
Chaygaon, Assam

**Active Pharmaceutical Ingredients,**  
Visakhapatnam, Andhra Pradesh

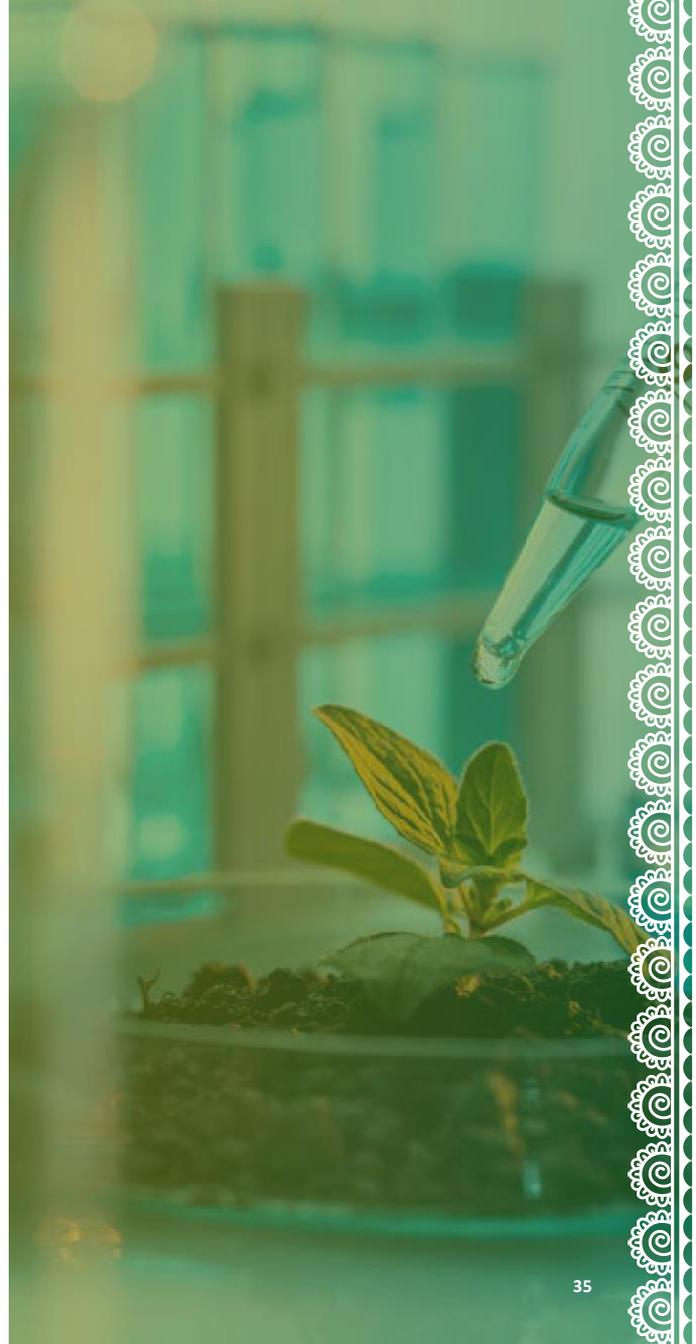
**Biotech Parks,**  
Kalamassery & Kochi, Kerala

**Horizon 2020 (biggest EU Research and Innovation programme)**

**Programme of Cooperation with Swedish Governmental Agency for Innovation Systems**

**Indo-Korea Collaboration in the area of Biotechnology and Bioeconomy**

Indo-Japan collaborative research centre called **DAICENTER**



# CONSTRUCTION

The construction industry in India, valued at USD\$130 billion is among the 12 champion sectors identified by the Government of India. This key focus sector comprises real estate and urban development segments. Real estate spans residential, office, retail, hotels and leisure parks, while the

urban development segment covers areas such as water supply, sanitation, healthcare, urban transport, and schools. The sector witnessed implementation of landmark reforms such as GST, RERA, Ind AS115 and IBC, post which there was increased FDI into India.

## PERFORMANCE

**2<sup>nd</sup> largest** employer in India

**2<sup>nd</sup> largest** FDI in 2018

**US\$24.87 bn** FDI in Construction Development Sector from April 2000 to June 2018

**9%** of India's GDP

**US\$90 bn** allotted for infrastructure development in 2018-19

**US\$739 bn** revenue by 2022 and US\$1 trn by 2025

**US\$1 trn** investment in infrastructure

**44 mn** people employed

**8163251** houses built under Pradhan Mantri Awas Yojana (Gramin) houses between 2017 and 2019

## POLICIES

**100% FDI** under automatic route in projects for operations and management of townships, malls/shopping complexes, and business constructions

**100% FDI** is allowed under the automatic route for urban infrastructures

**GST** to create uniform tax structure across India

**Real Estate Regulatory Authority (RERA)** for regulation and transparency

**Smart Cities Mission:** 'Smart' Solutions that enable a good quality of life to its citizens

**Industrial Corridors:** 5 Industrial Corridors across the country

**Atal Mission for Rejuvenation & Urban Transformation (AMRUT)** for basic services

**Pradhan Mantri Awas Yojana** – To provide a home for every Indian by 2022



# POTENTIAL

**US\$650 bn** investments in urban infrastructure over next 20 years

**100 Smart Cities** to be developed by 2020

**Home for every Indian** by 2022

**5** industrial corridors planned

**6** mega ports planned

**25** railway stations re-development

**12** cities to be developed under National Heritage City Development and Augmentation Yojana

**3<sup>rd</sup>** largest construction market globally by 2025

# PROGRAMS

Technologies for **low cost** housing

**Green building solutions**

**Integrated townships**

**Warehousing** facilities

**Co-working spaces** powered by advanced IT infrastructure, high speed connectivity, IoT enabled

Sustainable and **environmentally friendly building material**

Buildings for retail, commercial, entertainment and hospitality sectors

# Government Support

**99 cities** identified, with an outlay of US\$31.38 bn **Smart City Mission** to be implemented through Special Purpose Vehicles (SPV)

**US\$11 bn** for 500 cities approved under AMRUT  
**US\$61.53 mn** for twelve heritage cities identified under HRIDAY

**US \$2 bn** allocated under Union Budget 2018-19 to Housing and Urban Development Corporation

**Incentives** for developing SEZ/EMCs/other sectoral clusters

**Area based incentives**

# Investment

**99** Smart Cities

**Residential complexes and townships Kiru**

**Hydro Electric (HE) Project** (624 MW) by Chenab Valley Power Projects Private Limited (M/s CVPPPL) in Jammu & Kashmir

**India and Japan infrastructure development** in India's North-Eastern states

**Sahaj Biji Har Ghar Yojana** (Saubhagya) scheme to achieve 100% household electrification

**Green Energy Corridor Project** along with other wind and solar power projects

**Telecom projects**

**Pradhan Mantri Awas Yojana** (Urban) across India



# DEFENCE MANUFACTURING

Host to the 2<sup>nd</sup> largest armed forces in the world, the capability to produce defence equipment is an important strategic requirement for India.

Huge resources are being allotted to strengthen this capability. The sector is pitching for joint venture partnerships in defence technologies

and manufacturing. India offers huge opportunities for reputed Original Equipment Manufacturers (OEM) from around the globe to forge joint venture partnerships. As the world's 3<sup>rd</sup> largest defence spender, the country not only offers a captive domestic

market, but also has the infrastructure to double as a manufacturing hub, and a base for exports. Through the Make in India initiative, the government has opened the industry for private sector participation to encourage indigenous manufacturing.



**No. 1 arms importer in the world**



**15% of international arms imports is by India**



**US\$62.8 bn for defence in Union Budget 2018-19**



**Wassenaar Arrangement membership for exchange of information on transfers of conventional weapons and dual-use goods and technologies**

**Defence manufacturing in India today includes:**

- Arms and ammunition
- Tanks
- Armoured vehicles and heavy vehicles
- Fighter aircraft and helicopters
- Warships, submarines
- Missiles, ammunition, electronic equipment
- Earth-moving equipment
- Special alloys and special purpose steels



# PERFORMANCE

**3<sup>rd</sup>** largest defence spender in the world after US and China  
**US\$7.3 bn** worth ongoing DRDO projects  
**2.30%** GDP spent on defence  
**US\$309 mn** exports in 2016  
**10,000 micro**, small and medium entrepreneurs who make 80% of the components  
**US\$317 mn** worth domestically-produced defence platforms, equipment, and spares exported to over 28 countries in 2015-16  
**30%** offset requirement for procurement of equipment in excess of US\$307.69 mn  
**30%** of total defence budget spent on capital acquisitions  
**60%** of requirements are met through imports  
**343** Industrial Licences (ILs) covering 206 companies for manufacture of a wide range of defence items issued to private sector  
**40 FDI** proposals/ Joint Ventures approved for manufacture of various defence equipment  
**US\$5.12 mn FDI** received in the defence sector from Apr 2000 to Sep, 2017  
**US\$278.5 mn** exports from Ordinance Factory Board (OFB) & DPSUs and the private sector till December 2017  
**80%** of supplies made by OFB in 2016-17 was for the Indian Army



# POTENTIAL

**US\$1 trn** by 2025: potential of the defence manufacturing sector  
**US\$4.53 bn** worth contractual obligation to be met in 5-6 years  
**US\$0.7 bn** allocation for modernization  
**US\$130 bn** opportunity in the 7-8 years  
**Partner with foreign companies** for joint ventures, technology transfer arrangements and tie-ups  
**TOT** (Transfer of Technology) Maintenance to Indian Industry partners  
**IDDM** (Indigenously Designed, Developed and Manufactured) introduced to encourage indigenous design, development and manufacturing of defence equipment  
**Supply chain** outsourcing

# POLICIES

**100% FDI** in defence sector: Up to 49% under automatic route; FDI above 49%, through Government route where it is likely to result in access to modern technology  
**Procurement policy** governed by the Defence Procurement Procedure  
**Offset policy** to leverage capital acquisitions to develop the domestic defence industry  
**Grant of industrial licenses** streamlined  
**Defence Production Policy 2018** to promote domestic production by public sector, private sector and MSMEs

# PROGRAMS

## Government Support

**90%** funding by Government and preference to MSMEs  
**US\$15.4 mn** Technology Development Fund  
Initial **validity of IL extended** to 15 years, further extendable up to 18 years, for existing and new licenses  
Issue of **security manual** for domestic defence companies  
**Flexibility** in relation to nomination or change in offset partners, post signing of contract  
**Reduction** in indigenous content requirement to **30%** in buy (global) bids where an Indian firm/JV is bidding for the proposal  
Income Tax for non-residents reduced to **10% from 25%**

## Investment

**Indigenous defence products** Akash Surface to Air Missile System, Dhanush Artillery Gun system and Light Combat Aircraft unveiled  
**Innovation for Defence Excellence (iDex)** innovation hubs across the country  
**Infrastructure Development Manufacturing Cluster** & Park-Pune & Dholera  
**US\$15.4 mn** allocated to set up Technology Development Fund for R&D  
**2 defence industrial corridors** in the country in Tamil Nadu and Uttar Pradesh

# E-COMMERCE

India's e-commerce enterprises have rapidly made deep inroads into the country's consumer market. The growth has been fuelled by a young demographic profile, rising internet and smartphone penetration, innovation in mobile technologies and investor interest. The increase in digital payments is bolstering online sales further.

## PERFORMANCE



**US\$38.5 bn is estimated value of e-commerce market in 2017-18**



**Hyperlocal and travel & hospitality segments are attracting PE/VC interest**



**US\$1.7 bn M&A/strategic investments in the sector**



**17% growth rate in financial year 2018-19**



**US\$25 bn has been invested by PE/VCs in last 5 years**

# POTENTIAL

**US\$200 bn** is the projected value of e-commerce market by 2026

**627 mn internet users** are expected in India by end 2019

**12%** market penetration expected by 2026 compared to 2% in 2019

**350 mn** online buyers by 2025

By 2025, **digital sales** will account for 35% of all retail sales

US\$10-\$12 bn opportunity likely in **rural commerce sector** in next 4 years

50% of **e-commerce sales** in India are smartphones

**536 mn** internet users will be using **local languages** in India by 2021



# POLICIES

**100% FDI** permitted under automatic route in B2B e-commerce companies and in marketplace model for B2C under automatic route

An entity is permitted to undertake **retail trading** through e-commerce under certain conditions:

- A **manufacturer** is permitted to sell their products manufactured in India through e-commerce retail
- A **single brand retail** trading entity operating through brick and mortar stores is permitted to undertake retail trading through e-commerce
- A **food product retail** trading entity is allowed to undertake retail trading, including through e-commerce, for food products manufactured and/or produced in India.

# PROGRAMS

## Private initiatives

**16 million women** in India have been influenced by Google and Tata Trust's joint project 'Internet Saathi', which aims to push Internet penetration among Indian rural women.

# Government Support

**National Digital Commerce Policy 2018** focuses on ensuring safe digital transactions through the use of ICT, identifying piracy, hacking and enhancing confidence in purchasers and sellers in digital commerce

**US\$1.24 bn** allotted in Union Budget 2018-19 to BharatNet project to provide broadband services to 150,000 gram panchayats

**Udaan**, a B2B online trade platform that connects SMB manufacturers and wholesalers with online retailers and provides them logistics, payments and technology support, has sellers in 80 cities and delivers to 500 cities

The government has introduced **Bharat Interface for Money (BHIM)**, a simple mobile-based platform for digital payments

# Investment

Walmart invested **US\$16 bn** in Flipkart

**US\$5.5 bn** investment committed by Amazon India in India

**Google** has invested in Dunzo, a hyperlocal delivery start-up

Alibaba Group invested **US\$680 mn** in Paytm and has also in Big Basket

**Ctrip.com** International has invested in India's biggest online travel portal makemytrip.com

# EDUCATION & TRAINING

India has the world's largest population in the age bracket of 5-24 years. This is a great opportunity for the education sector. Currently, India has one of the largest networks of higher education institutions in the world.

The country's is focused on accelerating existing schemes and quality improvement in primary and secondary education, while in higher education, India aims to raise enrolment in the skills development programs.

The country is also expanding the scope of distance education. The Government of India has allocated educational grants for research scholars in most government institutions.

**National Skill Development Mission** aims to train and skill **400 million** citizens to find jobs by 2022. The initiatives under Skill India include:



**Atal Innovation Mission (AIM)** to promote innovation and entrepreneurship among secondary school students



**Pradhan Mantri Kaushal Vikas Yojana (PMKVY)**



**National Policy for Skill Development and Entrepreneurship**

## PERFORMANCE

**3<sup>rd</sup>** largest higher education system in the world

**39,050** colleges in India

**903** universities in India

**US\$91.7 bn** estimated value of sector in FY18

**US\$1.67 bn** FDI between 2000 - Dec 2017

**36.64 mn** students enrolled in higher education in 2017-18

**25.8%** Gross Enrolment Ratio in higher education in 2017-18

**15,044** Industrial Training Institutes in the India as of December 2018.

**10 mn** plus youth benefitted annually from the Skill India programme

**US\$2 bn** FDI in online education expected to reach US\$ 5.7 bn by 2020

**18 M&As** worth US\$49 mn in 2017

# POTENTIAL

**World's largest** population of about 500 mn in the age bracket of 5-24 years

**Skill India Mission** aims at skilling 400 mn Indian youth by 2022

**US\$101.1 bn** expected value of sector in **US\$35.03 bn** expected value of higher education by 2025.

# POLICIES

**100% FDI** allowed in the education sector through the automatic route since 2002

**Free and compulsory education** for all children between ages 4–16 through public school system

**New Education Policy** providing quality education, innovation and research, aiming to make India a knowledge superpower

# PROGRAMS

**Development** of education infrastructure Transformative and **innovative approaches** in higher education

**Distance education**  
**E-learning and M-learning**  
**Teacher Training Programs**

**Educational software development**  
**Skill enhancement**

**IT training** and e-learning

**Sankalp**, a World Bank loan programme for skills and knowledge acquisition

Singapore-supported **skills development programme in Assam**

# Government Support

## Skill India

**US\$13.7 bn** budget allocation in 2019

**US\$15.44 bn** up to 2022 for Project RISE (Revitalising Infrastructure and Systems in Education)

The Government aims to raise **US\$15.52 bn** from private companies and individuals to finance improvement of education infrastructure

**Samagra Siksha** Scheme for holistic development of school education

**Beti Bachao, Beti Padoo** for educating the girl child

**Mid Day Meal scheme** in schools

Schemes for **Infrastructure Development of Private Aided/Unaided Minority Institutes (IDMI)**

**Saakshar Bharat** adult literacy programme

# Investment

**22** AIIMS Institutes

IITs have been allocated **US\$908 bn**

**50%** increase in allocation for flagship programmes such as RUSA

**245%** increase in the allocation for quality improvement programme in Technical Education (TEQIP-III)

**Innovation Cell and Atal Ranking of Institutions on Innovation Achievements** launched to assess innovation efforts and encourage a healthy competition among higher educational institution



# GEMS & JEWELLERY

India's Gems & Jewellery industry is one of the largest in the world. The sector gained international repute because of India's talented craftsmen, low manufacturing costs and its superior practices in cutting and polishing fine diamonds and precious stones.

India is one of the world's largest exporters of gems and jewellery. The industry plays a vital role in the Indian economy as it contributes a major chunk to the total foreign reserves of the country. United States of America accounts for half of India's gem and jewellery export.

This sector is upbeat due to increasing economic growth, employment rate and private consumption in its largest market.

## PERFORMANCE

**US\$1.15 bn** FDI in diamond and gold ornaments from Apr 2000 – Jun 2018 ( DIPP)  
**US\$60 bn** market size in 2017  
**15.5%** share in India's exports  
**7%** contribution to India's GDP  
**13%** share in India's commodity exports  
**16%** industry CAGR (2014-19)  
**79.84%** of the total gems and jewellery exports in value terms between Jan to Sep, 2018  
**4.5 mn** people employed in this sector  
**No. 1** centre in the world for cutting and polishing centre of diamonds  
**3<sup>rd</sup>** largest diamond consumer in the world  
**95%** global diamond market share  
**75%** of the world's polished diamonds exported from India

**12** out of every 14 diamonds sold worldwide pass through India  
**No. 1** consumer of gold in the world  
**523.93** tonnes demand for gold between Jan to Sep, 2018  
**80%** of the total jewellery market in India comprises gold  
**29%** of the world's gold consumption in India  
**US\$1.9 bn** exports of gold coins and medallions from India  
**US\$28.3 bn** imports of gems and jewellery during Apr 2017-Feb 2018  
**One of the largest** importers and consumers of silver  
**75%** of the total gems and jewellery exports from India by US, UAE, Hong Kong  
**+300,000 players** in this sector in India

## POTENTIAL

**US\$110 bn** by 2022 - the expected increase in gems and jewellery market size  
**8.23 mn** more jobs by 2022  
**1-2%** of fine jewellery segment to come from online sales by 2022  
Huge potential in **mining of gold, diamonds and precious stones**  
**VR-aided buying experiences are popular**  
Demand for **lab-created diamonds**  
Development of **new manufacturing techniques**  
**Commercialization** of traditional jewellery designs and techniques

## Segments in the Gems and Jewellery Sector:



## POLICIES

**Bureau of Indian Standards** (BIS mark), for purity in carat and fitness, as well as the unit's identification and the jeweller's identification mark

**Gold Monetisation Scheme** to deposit gold with banks and earn interest

## PROGRAMS

Setting up of **Gems & Jewellery Parks**

Investment in **retail brands**

Setting up **vocational training institutions** for aspiring diamond cutters and jewellery designers

Supply/manufacture of **tools for cutting and processing** of stones and jewellery

Establishing Hallmark Centres

Setting up **Gemology institutes** with testing facilities

Manufacturing and selling of **lab created diamonds**

## Government Support

**100% FDI** in exploration and 74% in mining of diamonds and precious stones

**100%** for gold, silver and minerals' exploration, mining, metallurgy and processing

**Special Notified Zones** for consignment import and export of rough diamonds

**Merchandise Exports** from India Scheme (MEIS) for export of specified goods to specified markets

**Advance Procurement**/Replenishment of Precious Metals from Nominated Agencies

**Relaxation in gold import norms**

**Regulatory framework** and taxation to encourage international mining companies to sell rough diamonds directly in India

Enhancing the **Ease of Doing Business** by reducing the number of mandatory documents

**Nodal authority** for scrutinizing applications for laboratories, for export of cut and polished diamonds for certification/grading and re-import

**Exporters of gems and jewellery** can import/procure duty free input for manufacturing products for export

**Gems and Jewellery Skill Council of India** to train over 4 mn persons till 2022 for skilled manpower

The Small Scale Industry (SSI) **eligibility limit has been** US\$ 1.71 mn to US\$ 2.14 mn

## Investment

**2,000 acres** Smart City is being developed close to Surat and will house an International Diamond Trading Hub and a Diamond Bourse

**5,000** jewellery units at an overall investment US\$2.09 bn at India's largest jewellery park at Ghansoli in Navi-Mumbai

**4 Common Facility Centres** (CFCs) set up in Ahmedabad, Amreli, Visnagar and Palanpur

**Special Notified Zone** (SNZ) opened at Bharat Diamond Bourse in Mumbai to ensure direct supply of rough diamond

# HEALTHCARE

Healthcare has been one of India's core sectors, both in terms of revenue and employment. With the government rolling out the biggest publicly funded healthcare plan in the world, India's has now opened its doors to many

more opportunities in the sector. The country offers best-in-class healthcare facilities, at a fraction of the cost of other major markets around the globe. Reduced cost of life-saving drugs and medical devices, the state-of-the-art

pharmaceutical industry, world-class specialty hospitals in Tier 1 and Tier 2 cities and a large pool of well-trained medical professionals are factors that drive the sector

## PERFORMANCE

**US\$13 bn** - current value of primary care industry in India

**US\$6 bn** medical tourism industry

**74%** healthcare expenditure accounted for by the private sector

**4<sup>th</sup>** largest employer in 2017

**Leading destination** for high-end diagnostic services

**US\$4 bn** current value of the diagnostics industry in India

**150,000** Health & Wellness centers

**US\$5.25 bn** FDI received between April 2000 and June 2018

**2.14 crore** children and 0.56 mn pregnant women have been immunised

Several diseases including polio, smallpox and guinea worm have been **eradicated**

Sharp **reduction in infant mortality** and maternal mortality

**Decrease in HIV infections** and AIDS-related deaths

**Ayushman Bharat** is largest government-funded healthcare programme

## POTENTIAL

**Public spend on health** to be raised to 2.5% of GDP by 2025

India's healthcare market to see a threefold jump in value to reach **US\$372 bn** by 2022

**16-17%** CAGR of the hospital industry

**22-25%** growth expected in medical tourism

The Government of India aims to develop India as a **global healthcare hub**

The sector is expected to generate **40 mn jobs** in India by 2030

**Telemedicine** is a fast-emerging trend in India

**Home-based** care services gaining popularity

**US\$200 bn** to be spent on medical infrastructure by 2024

Medical tourism expected to double its value to **US\$6 bn** industry by 2018

Government initiatives like e-Health & **Ayushman Bharat**

**Technological advancements**

Rising demand for improved access to **insurance and affordable healthcare**

Increasing expenditure by public and private players



# PROGRAMS

## Hospital infrastructure

## Telehealth services

## Alternative medicine

**Primary**, secondary and tertiary healthcare infrastructure

## Medical devices

**Mobile & Wearable Devices:** Glucose monitors, exercise trackers & wearables

**Internet of Things (IoT)**-based tracking & management systems

**Artificial intelligence (AI)** for keeping health records & providing timely treatment

Assistive **Robotic Surgeries**, Minimally Invasive Surgeries & predictive diagnosis

**Robotic Process Automation** to improve the efficiency of healthcare workforce

Vast opportunities in **R&D**

New **medical institutes** for producing world class doctors, nurses and paramedics

# POLICIES

**National Health Policy** to achieve highest possible level of health and wellbeing for all at all ages, through a preventive and promotive healthcare

**Pradhan Mantri Jan Arogya Yojana (PMJAY)**, to provide health insurance worth 500,000 to over 100 mn families every year

**Ayushman Bharat**, the National Health Protection Mission

**Mission Indradhanush**, to improve coverage of unvaccinated and partially vaccinated children in rural and urban India

**Central Sector Scheme** for Conservation, Development and Sustainable Management of Medicinal Plants

# Government Support

**100% FDI** is allowed under the automatic route for Greenfield projects up to **100% FDI** is permitted under the Government route for brownfield projects

**US\$935 mn** allotted for Ayushman Bharat scheme in interim budget 2019-2020

**'Healthy India'** – one of the top 10 priorities of the government

**Pradhan Mantri Surakshit Matritva Abhyan**

**Network of Laboratories** for managing epidemics and Natural Calamities

**Model Rural Health Research Units (MRHRU)** in the states

**Multi-Disciplinary Research Units (MRU)** in Government Medical colleges - Research Institutions

# Investment

**Super Specialty Hospital Project**, Lucknow, Uttar Pradesh

**Medical Equipment Manufacturing Project**, West Sikkim

**Medical Centre Project**, Guwahati, Assam

**Harilal Bhagwati General Hospital Project**, Mumbai, Maharashtra

**National Health Portal**



# IT & BPM

India is one of the world's favourite IT-BPM investment destinations. The country's unique selling proposition continues to be its cost competitiveness in providing services, which are approximately 3-4 times more cost-effective than the US. Indian IT firms

have delivery centres across the world and are well-diversified across verticals, such as BFSI, telecom and retail to mention a few. Leading Indian IT firms are spearheading disruptive technologies using innovation hubs and R&D centres and creating differentiated

offerings to clients. India's domestic technology market, including the hardware segment and IT services, is the fastest growing in Asia-Pacific. The IT and BPM industry is the largest contributor to the total exports of the country

## PERFORMANCE

**+17,000** IT firms with more than 50 delivery locations in India

**640** offshore development centres in over 80 countries

**+4,200** IT startups

**25%** of engineers who graduate each year are from India

**US\$126 bn** revenues in 2017-18

**8%** share in India's GDP

**56%** in global outsourcing market

**45%** share in services export

**11%** domestic market growth makes India Asia's fastest growing tech market

**3<sup>rd</sup>** largest tech-based start-up hub in the world

**13.5%** growth from high value client additions in past 5 years

**60%** firms use India for testing services before taking software products global

**US\$200 bn** cost savings over past 5 years by foreign clients

**US\$1.6 bn** spent annually on training workforce in newest technologies

**3.7 mn** jobs created by the sector

**75%** of global digital talent based in India



## POTENTIAL

**US\$350 bn by 2025** - expected growth in Information Technology and Business Process Management sector

**SMAC** (social, mobility, analytics, cloud) market expected to grow to US\$225 bn by 2020.

Initiatives such as **Digital India, Smart Cities, Aadhaar, BHIM, and Make in India**

The **use of IT** in verticals such as retail, healthcare and utilities

**NOFN** (National Optical Fibre Network) to connect 250,000 Gram Panchayats (village council) in the country with high-speed broadband

**US\$20 bn** investment to cover mobile connectivity across India

India is emerging as a hub for **"Digital Skills"**

# POLICIES

**100% FDI** is allowed in Data processing, Software development and Computer consultancy services, Software supply services, Business and management consultancy services, Market research services, Technical testing and Analysis services, under automatic route

**100% FDI** is permitted in B2B E-commerce

National Policy on Information Technology 2012 aims to increase revenues of IT and BPM industry to US\$300 bn by 2020.

The government has identified Information Technology as one of **12 champion service sectors** for which an action plan is being developed

**NITI Aayog** is going to set up a national level program that will help in leveraging AI technology for development work in the country

**Special Economy Zones (SEZs) Policy**

**National Task Force** on IT and Software Development

**National e-Governance Plan** (NeGP)

**National Cyber Security Policy 2013**

**State Policies**

# PROGRAMS

**E Commerce ventures and mobile application development**

**AI, IoT, IoMT, Social, Mobility, Analytics and Cloud (SMAC) based Start-ups**

**IT services, BPM, software product companies, shared service centres.**

Digital India promotes **mobile connectivity** throughout the country

**e-Governance, e-Health, e-Education & e-Ticketing projects**

Re-engineering of government processes and enabling e-delivery of citizen services

Start-up focus on **IoT, Machine Learning, Artificial Intelligence** and **healthcare**

Growing **R&D spend in telecom** and semiconductors

**IT Parks**

# Government Support

**US\$472 mn** allocation for Digital India

**US\$745.82 mn** for realising the potential of India's champion service sectors

**NITI Aayog** setting up a national level program to leverage AI for development works

**250,000 village councils** to be connected via the National Optical Fibre Network

**IT/ITeS Sector Skill Council (SSC)** facilitating expansion of the skill workforce along with NASSCOM

**Regulatory support** to protect intellectual property and strengthen cyber security laws

Establishment of **Software Technology Parks of India (STPIs)**

**Exports incentives** under foreign trade policy

**Incentives for units in SEZ**

# Investment

**Coastal Economic Unit Project**, Amravati, Andhra Pradesh

**IT Park**, Guwahati, Assam

**Intelligent Street Pole for 6 Smart Cities**, Madhya Pradesh

**Setting up a Rural BPO in Assam**, Assam

**Centre of Excellence** for Internet of Things has been set up in Bengaluru



# LEATHER

India's leather industry is booming, as leather is one of the most widely traded items in the world.

Government of India has identified it as a focus sector because of its immense potential for export, growth and employment generation. Raw-hide, processed leather skins, leather

goods, leather garments, leather footwear, handbags, wallets, saddlery and harness are the widely traded leather items in India. Buffalo skin and goat skin are used to make leather that is exported to other countries. The Indian leather industry with its skilled and trained

manpower and comparative cost advantages is among the top ten foreign exchange earners. The industry is known for its consistency in export earnings.

## PERFORMANCE

**3 bn sq. ft.** of leather produced annually  
**US\$12 bn** in 2017-18

**2<sup>nd</sup>** largest producer of footwear and leather garments in the world

**2<sup>nd</sup>** largest exporter of leather garments in the world

**5<sup>th</sup>** largest exporter of leather goods & accessories in the world

**12.9%** of the world's leather production of hides and skins

**20%** of the world's cattle and buffalo population lives in India

**US\$5.74 bn** export in manufacturing based leather in 2017-18

**11%** of the world's goat and sheep population lives in India

**2.80 bn** footwear exports

**519 mn** leather garments exports

**874 mn** finished leather exports

More than 1000 leather exporting companies

Employs **3 mn** people

**21 ports** (including sea, air and land) that export leather

**5 leading importers** of Indian leather include USA, UK, Germany, Italy, and France

## POTENTIAL

**High growth** projected for the leather industry in the next five years

**5 bn** pairs of footwear by 2020 for the domestic market

**2x increase** in domestic market for fashion accessories

**US\$18 bn** domestic market by 2020

**US\$9 bn** projected exports by 2020

Huge **Production Centres** in the form of multiple Mega Leather Clusters (MLC) to be set-up in 5 years



## POLICIES

**100% FDI** permitted through the automatic route  
**The National Manufacturing Policy** identifies leather as a special focus sector for growth and employment generation

The **leather product sector is de-licensed**, facilitating expansion on modern lines

India has **trade agreements** with Japan, Korea, ASEAN, Chile etc. and is negotiating Free Trade Agreement with European Union and Australia

**Central Sector Scheme Indian Leather Development Programme**

## PROGRAMS

**Leather technology** and best practices knowledge exchange

**Training and skill development** in the sector **Raw and processed leather** and products export **R&D** in leather technology

## Government Support

**30% grant** is provided on the cost of plant and machinery for Micro and Small units and 20% for other units

**50% grant** with a ceiling of US\$19.23 mn for the establishment of Mega Leather Clusters

**Up to 50%** of the project cost to address environmental pollution caused by leather units

### Schemes for

- ▶ Human Resource Development.
- ▶ Integrated Development of Leather Sector
- ▶ Leather Technology, Innovation and Environmental Protection
- ▶ Establishment of Institutional Facilities
- ▶ Additional Employment Incentives for Leather, Footwear and Accessories segments
- ▶ Promotion of Indian Brands in Leather, Footwear and Accessories

## Investment

**Leather & Footwear Cluster Project,**  
Muzaffarpur, Bihar

**Perambur Leather & Footwear Cluster Project,**  
Chennai, Tamil Nadu

**Leather & Footwear Cluster Project,**  
Kolkata, West Bengal

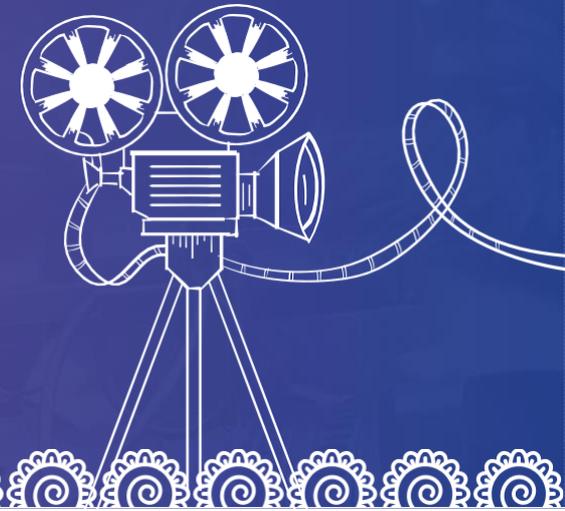
**Footwear Design and Development Institute,**  
Banur & Ankleshwar



# MEDIA & ENTERTAINMENT

India's Media and Entertainment (M&E) industry is witnessing strong growth in all segments including print, radio, films, television, out of home (OOH), animation & visual effects (VFX), digital advertising, music and gaming. The growth drivers of the industry include a rapidly growing young population and higher

penetration of media, coupled with increased usage of 3G, 4G and portable devices. A recent industry report shows that the sector is growing at a rate faster than the GDP. While TV has retained its position as the largest segment, digital is expected to overtake filmed entertainment in 2019 and print by 2021. China has emerged as the largest overseas market for Indian content.



## PERFORMANCE

- 3<sup>rd</sup>** largest film industry in the world
- 5<sup>th</sup>** largest media and entertainment market in the world
- 570 mn** internet subscriptions - **2<sup>nd</sup>** highest in the world
- 640 mn** internet users
- 2<sup>nd</sup>** largest online population
- 99,7000** newspapers
- 197 mn** television households
- 800 TV** channels
- 7 DTH** operators & 6,000 multi-system operators
- 60,000** local cable operators approximately
- Digital-only** film market came into existence in 2018
- 2,000** plus multiplexes
- 9% CAGR** in India's media consumption

- 16.4%** growth in the animation industry
- 31%** growth in VFX industry
- US\$23.9 bn** Media & Entertainment Industry in FY18 as per a FICCI-EY Report
- US\$7.17 bn** FDI inflows in the I&B sector during April 2000 –June 2018
- US\$2.8 bn** worth mergers and acquisitions in 2018



## POTENTIAL

- US\$33.6 bn** anticipated sector value by 2021
- US\$18.39 bn** advertising revenue by FY23
- US\$394.22 mn** digital revenues by 2021
- 7.60% CAGR** of film industry 2018-2023
- US\$33.7 bn** media market by 2020
- TV and AGV** segments expected to lead industry growth
- Digital technologies** and e-Commerce offer immense growth opportunities
- Regional entertainment** channels have large potential
- Mobile advertising** spends to increase hugely
- Teleport hub** of Asia
- Newspapers and niche publications**
- Regional** print and local news segment
- Radio** is a growing market

## POLICIES

**100% FDI** in cable and DTH satellite platforms

**26% FDI** in FM radio and uplinking of 'News and Current Affairs' TV channels under the government route

**26% FDI** under the government route for uplinking of 'News and Current Affairs'

TV channels

**100% FDI** under the government route for 'Non-News and Current Affairs' TV channels/ downlinking of TV channels

**26% FDI** under the government approval route for publishing of newspapers and periodicals dealing with news and current affairs.

**26% FDI** under the government approval route is allowed in the publication of Indian editions of foreign magazines dealing with news and current affairs.

**100% FDI** under the government approval route is allowed in publishing/printing of scientific and technical magazines/speciality journals/periodicals.

**26% FDI** under the Government approval route is allowed in publication of facsimile editions of foreign newspapers.

**100% FDI** in case of foreign publishing houses bringing out facsimile editions of their own newspapers through wholly owned subsidiary.

**National Communication policy**

**National Film Heritage Mission**

**Film Facilitation Office**

**Digitizing cable distribution** sector to attract greater institutional funding

**Film industry** given industry status for easy access to institutional finance

## PROGRAMS

**Animation and gaming design** and production

**Television production and television advertisements**

**Film production** and post production work

Community **radio stations**

**Print publications** and advertising

**Multiplex and entertainment zone** development

**Joint productions** and co-productions of films and serials

**3D films and digital screens**



## Government Support

**State incentives** depending on number of jobs created and area of investment

**Animation and gaming:** Incentives for units in SEZ as specified in the Act

**Pan-India Digital India Programmes**

**National Rural Internet & Technology Mission**

**Training in IT skills**

**E-kranti** for Government Service Delivery and Governance Scheme.

**US\$14.6 mn** subsidy for setting up **community radio stations**

## Investment

**Film facilitation unit** for film shooting in India

**US\$730 mn** for Digital India

**US\$14.6 mn** promoting good governance

**Zero basic custom duty** on digital still image video camera of certain specifications

**Service Tax** on services provided to amusement facility, entertainment events or concerts, pageants, non-recognised sporting events

**Animation and gaming incentives** for units in SEZs

# MINING

India has large reserves of iron ore, bauxite, chromium, manganese ore, baryte, rare earth and mineral salts. With barely 20% of its reserves mined, India presents considerable opportunities for future discoveries of sub-surface deposits. Besides offering

significant production and conversion cost-advantages in steel and alumina, India also benefits from its strategic location that enables convenient exports to be deployed to the fast-developing Asian markets.

## PERFORMANCE

**2<sup>nd</sup>** largest steel producer in the world

**3<sup>rd</sup>** largest global producer of coal in FY18 with 676.51 MMT of coal produced

**3<sup>rd</sup>** largest crude steel producer in FY18 with production rising to 102.34 MMT

**4<sup>th</sup>** in terms of iron ore production globally with 210 MMT produced

**9<sup>th</sup>** largest bauxite reserves in the world

**27 lakh** line km of Obvious Geological Potential being mapped by Geological Survey of India

**Star-rating** of mines system introduced

**Sustainable** Development Framework adopted

Auction of concessions for major minerals (other than coal, petroleum and natural gas) for the first time

**2101** mines (excluding atomic, fuel and minor minerals) reported

**53** blocks were successfully auctioned at a value of **US\$33 bn**

**US\$16.6 bn** mineral production (excluding atomic & fuel minerals) in 2017-18

**13%** growth over the previous year.

**US\$14.3 bn** FDI inflows into the sector Apr 2000-Jun 2018

## India's Mineral Wealth

3

Atomic minerals

4

Fuel-related minerals

10

Metallic minerals

23

Non-Metallic minerals

55

Minor minerals (including building and other minerals)

# POTENTIAL

**US\$126 bn** estimated value of the sector in 2025  
**100** blocks identified by GSI for exploration

GOI's focus on **infrastructure & transportation** creates opportunities in steel, zinc, and aluminum

**Mining opportunities** in gold, silver, platinum, palladium, rhodium and diamond

Growth in **power and cement** industries

Strong growth in the **automotive sector**

Plans are on to **double steel production** capacity by 2030-31

**Sustained growth in residential and commercial building** industries

# POLICIES

**National Mineral Policy 2019**

**Mines and Mineral Development and Regulation**

**National Steel Policy**

**Mineral Concessions Grant Through Auctions**

**100% FDI** allowed in the mining sector and exploration of metal and non-metal ores under the automatic route

**100% FDI** allowed in Mining and mineral separation of titanium bearing minerals and ores, its value addition and integrated activities under Government route

# PROGRAMS

Growing market for **mining equipment, vehicles and technology**

**NALCO, Hindustan Copper and MECL** to acquire lithium and cobalt mines abroad

Scope for domestic and foreign companies in upcoming **PPP opportunities**

**Mineral blocks** auctioned by the States for Mining or Prospecting cum mining

**Infrastructure projects**



# Government Support

**US\$256 mn** allocated in the Union Budget for 2018-19

**100** blocks by Geological Survey of India for auctioning regional exploration

**Monitoring of mining activities** using satellite imagery and capacity building

**Integrated IT-enablement system** - Online Core Business Integrated System

Geological Survey of India signed MoU with **National Remote Sensing Centre**- Indian Space Research Organization to utilize airborne hyperspectral data

**Mobile app** 'Khan Prahari' and Coal Mine Surveillance & Management System developed by Central Mine Planning and Design Institute

Government of India taking steps to boost **domestic steel** sector

# Investment

**Gevra Open Cast Coal Mining Project,** Chhattisgarh

**Kusmunda Coal Mining Project,** Chhattisgarh

**Dudhichua Open Cast Coal Mining Project,** M.P., U.P.

**Rampur-Batura Open Cast Mining Project,** Madhya Pradesh



# OIL & NATURAL GAS

India is the world's third largest energy consumer, a refinery hub and the largest exporter of petroleum products in Asia. The oil & gas sector is among the eight core industries in India and plays a major role in influencing decision making for all the other important

sections of the economy. The abundance of raw material in the country and the robust domestic market, backed by favourable policies, combine for a future of reduced oil and gas import dependence and increasing exports.



## PERFORMANCE

- No. 1 exporter** of petroleum products in Asia
- 2<sup>nd</sup> largest** refiner in Asia.
- 3<sup>rd</sup> largest** energy and oil consumer in the world
- 4<sup>th</sup> largest** importer of liquefied natural gas (LNG)
- 23 refineries** - 18 under public sector, 3 under private sector and 2 in a joint venture.
- 247.5 MMPTA** is India's current refining capacity
- 16,771 km** gas pipeline infrastructure in the country in September 2018
- US\$7.00 bn** FDI attracted by sector between April 2000 and June 2018.
- 7.40%** - India's share in LNG imports
- 3.30%** - Oil consumption CAGR
- 2.30%** - Gas consumption CAGR
- 4.90%** - LPG sales growth

## POTENTIAL

- US\$300 bn opportunities** to invest in India, as the country looks to cut reliance on oil imports by 10% by 2022
- By 2040, India and China will account for half of **the global energy demand**
- 42.5% rise** in domestic oil consumption expected during 2010-20
- 326 cities to be connected with city gas distribution** network (CGD) by 2022
- 100 mn** new LPG connections by 2019, of which 50 mn are for BPL households
- 600 MMT** oil reserves
- 1.2 TMC** reserves of natural gas
- Nearly **96 trn cubic feet** technically recoverable shale gas resources
- 244,960 MT** by 2021-22 - estimated demand for petroleum products

- 77% to 67% reduction** in imports of oil and gas by 2022
- 90 bn** cubic meters of gas to be produced by 2040
- Opportunities for foreign Investments and technology partnerships in the Upstream Sector





## POLICIES

Favourable policies like **NELP, HELP, CBM and OALP** to promote investments

### **Discovered Small Fields Policy**

**100% FDI** in exploration activities of oil and natural gas fields under automatic route.

**49% FDI** in petroleum refining by Public Sector Undertakings (PSU), without any disinvestment or dilution of domestic equity in the existing PSUs under automatic route

## PROGRAMS

**Monetization of 67 discovered small fields** through international competitive bidding.

Construction of another 15,000 km of **gas pipeline network** to bolster national gas grid

Increase in India's **refining capacity**

Investment in **export-oriented infrastructure**, including pipelines and export terminals.

### **Government Support**

**Fiscal incentives** and exemptions on cess, taxes and customs duties on imports, exploration licenses and movement of goods.

**State incentives** for projects area based incentives for North East India

#### **Revision of Crude Oil Cess**

**State incentives**

**Area based incentives**

### **Investment**

#### **Refinery Project,**

Cuddalore, Tamil Nadu

#### **Ennore Petrochemical Cluster Project,**

Ennore District, Tamil Nadu

#### **Kakinada Petrochemical Cluster Project,**

East Godavari, Andhra Pradesh

#### **Mangalore Petrochemical Cluster Project,**

Dakshin Kannada, Karnataka

# PHARMACEUTICALS

India is the largest provider of generic drugs globally. The country is a leading manufacturer of various critical, high-quality, low-cost pharmaceutical products for both, the Indian and global market. India's strengths include the country's low cost of production, large biotech

workforce, scientists, engineers and managerial talent. India supplies 50-60% of global demand for several vaccines. Affordable Anti-Retroviral (ARV) drugs from India were a major factor in AIDS patients getting greater access to treatment. Indian

pharma companies are now venturing into manufacturing more complex products such as microspheres, liposomes, emulsions and building the country's capabilities in R&D. North America is India's largest export market, followed by Africa.

## PERFORMANCE

**3,000** pharma companies  
**10,500** manufacturing units  
**No 1** global provider of generic medicines  
**2<sup>nd</sup>** highest number of US FDA approved facilities  
**2<sup>nd</sup>** largest pharmaceutical and biotech workforce in the world  
**4<sup>th</sup> largest** medical device market in Asia  
**20%** of global exports in generics  
**60,000** generic brands across 60 therapeutic categories sourced from India

**500** different Active Pharmaceutical Ingredients (APIs) manufactured in India  
**US\$17.27 bn** pharma exports in 2018 **150** countries import vaccines from India **Top 20** global medical device markets  
**US\$37 bn** Indian pharmaceuticals sector in 2016  
Production of bulk drugs, intermediates, drug formulations, biologicals, Ayush & herbal products and surgicals  
Approval time for new facilities has been reduced to boost investments

## POTENTIAL

**3<sup>rd</sup>** largest pharmaceutical market by 2020 in terms of incremental growth  
**US\$280 bn** healthcare market in 2020  
**US\$200 bn** to be spent on health infrastructure  
**Ayushman Bharat:** World's largest healthcare programme launched  
**Manufacturing:** Pharmaceuticals, nutraceuticals and biotechnology products  
**Off-patent drugs:** Drugs worth US\$130 bn will go off-patent by FY22  
**Medical devices:** BP monitors, cardiovascular labs, portable anaesthesia machines  
**Medical tourism:** Cardiac orthopaedic procedures and other specialized areas  
**Other opportunities:** Contract research and manufacturing services industry



# POLICIES

**100% FDI** is allowed under the automatic route for greenfield pharma

**100% FDI** is allowed in brownfield pharma - **74%** under the automatic route and thereafter through government approval route

**National Pharmaceutical Pricing Policy 2012**  
Pharmaceutical Promotion Development Scheme

**TB and Kala Azar Scheme**

Implementation of Scheme for  
Schedule M Compliance

**New IPR policy**

**Pharma Vision 2020** aimed at making India a global leader in end-to-end drug manufacture

**The National Pharmaceutical Pricing Policy**

**Ayushman Bharat** to provide hospitalization cover coverage of US\$7,700 to over 100 million poor and vulnerable families

**Health and Wellness centres** to provide comprehensive treatment, medication, essential drugs and diagnostics services, free of cost

# PROGRAMS

**Ayushman Bharat** National Health Protection Scheme has opened up new opportunities

**Alliances with generic companies** for development of drug molecules

Conducting **R&D of medicament formulations** for global clients

**Biosimilars** and Specialty drugs manufacturing

## Government Support

Weighted **tax deduction** of 200% on scientific research and development

**Reduction in cost** of stents and other specific medical devices

**Life saving drugs at reduced cost**

## Investment

**Synthetic Organic Chemicals Project**,  
Vatva, Gujarat

**Drug & Surgical Consumables Manufacturing Unit**,  
Lucknow/Noida

**Pharmaceutical Park**,  
Chaygaon, Assam

**Active Pharmaceutical Ingredients Project**,  
Vishakhapatnam



# PORTS & SHIPPING

India, with its 7517 km-long coastline and 200+ ports plays a vital role in global trade. Being strategically located on the world's shipping route, the Indian Ports & Shipping industry sustains growth in the country's trade and commerce. Along with the ambitious Sagarmala

Programme launched in March 2017, the Government of India has also introduced various fiscal and non-fiscal incentives for enterprises that develop, maintain and operate ports, inland waterways and shipbuilding in India.

## PERFORMANCE

**16<sup>th</sup>** largest maritime country in the world

**70%** of India's trading in value terms handled through maritime transport

**1301** vessels: India's fleet strength

**679 MT** cargo traffic handled at major ports in 2017-18

**485 MT** cargo traffic handled at minor ports in 2017-18

**5X** growth in traffic in major ports between 2014-18, compared to 2010-14

**3X** increase in net profits of major ports between 2014-18

**64** hours turnaround time at major ports in 2018

## POTENTIAL

**3,200 MMT** port capacity of by 2020

**10** coastal economic regions

**6** new mega ports to be built under Sagarmala project

**142** capacity expansion master plans for projects worth US\$14.19 bn

Inland waterway sector as an alternative to road and rail routes

Green Channels exclusively for cargo movement outside custom bonded ports

National Maritime Development at an outlay of **US\$11.8 bn**

Increasing private partnership in port logistics Services such as operation and maintenance, pilotage and harbouring, and marine assets such as barges and dredgers

**Sagarmala:**

**US\$123 bn** to be invested across 415 projects, including:

- Port Modernization and New Port Development
- Port Connectivity Enhancement
- Port-Linked Industrialization
- Coastal Community Development

**Impact of Sagarmala Programme:**

- **Mobilization** of over US\$61.6 billion of infrastructure investment
- **Double** the share of inland and coastal waterways in the modal mix
- Yield cost savings of **US\$5.3-6.1 bn** in logistics annually
- Boost merchandise exports by **US\$110bn**
- Create **4 mn** new direct jobs and **6 mn** indirect jobs

# POLICIES

**100% FDI** in the shipping sector

**100% FDI** is under automatic route for projects related to the construction and maintenance of ports and harbours

**10-year tax holiday** is extended to enterprises engaged in the business of developing, maintaining, and operating ports, inland waterways, and inland ports

**Incentives** for enterprises that develop, maintain and operate ports, inland waterways and shipbuilding in India

# PROGRAMS

Port projects at an Investment of over **US\$10 bn** identified

**Specialist terminal-based ports** for cargo requiring special equipment

**21** dry port projects under development

Development of existing & notified waterways

**Leveraging** potential of **cruise shipping**

**Industrial cities** and industrial clusters at selected small ports

**Digital transformation** in shipping through technologies such as Internet of Things (IoT), Blockchain, Machine Learning, Artificial Intelligence (AI), Analytics, and Augmented & Virtual Reality

**SEZs being** built in close proximity to ports

Building **support infrastructure** for ports and shipping industry

**Ship repairing facilities**

# Government Support

**US\$28 mn** allocation made to Ministry of Shipping in 2018-19

**US\$25 mn** towards development of major ports

**US\$21 mn** towards development of minor ports

**US\$77 mn** to improve inland water transport, internal trade and reduce logistic cost

**10** coastal economic regions being developed to boost Sagarmala

**Foreign flagged ships allowed**, to carry containers for transshipment

**Revised Model Concession Agreement** approved to make port projects more investor-friendly

**Project UNNATI** to identify opportunities for improvement in operations of major ports

# Investment

**Sagarmala**

Port Project, Colachel, Tamil Nadu

**Vadhavan Port Project,**

Thane, Maharashtra

**Port Project,** Odisha

**Port Development Project,**

Kanyakumari, Tamil Nadu



# RAILWAYS

The Indian railways operates 21,000 passenger and freight trains every day. Indian Railways is the world's 3<sup>rd</sup> largest railway network under single management, covering 66000 route km. Apart from being an energy efficient and economic mode of conveyance and transport, it is integral for long-distance travel

and movement of bulk commodities. Increasing urbanization and rising urban & rural incomes are driving growth in the passenger segment. There is significant increase in freight traffic, owing to rising investments and private sector participation.

## PERFORMANCE

3<sup>rd</sup> largest railway network in the world

4<sup>th</sup> largest rail freight carrier in the world

8<sup>th</sup> largest employer in the world

23 mn passengers on an average, ferried each day

73,000 railway stations maintained by the sector, across India

US\$7 bn passenger earnings in 2017-18

1.2 bn tonnes of freight transported during 2017-18

US\$920 mn FDI inflows into Railways Related Components from April 2000 to June 2018

9.7% Increase in revenues of Indian Railways during FY07-FY18

1.4 mn people employed directly by Indian Railways

Electric traction of 2367 route km

2148 km old rails have been replaced with new rails up to November 2017

6 high-capacity, high-speed dedicated freight corridors

Smart Freight Operation Optimization & Real Time Information to monitor freight operations through Geographic Information System



# POTENTIAL

**476,000 hectares** of prime land owned by Indian Railways

**PPP opportunities** in maintenance, redevelopment of stations, building private freight terminals and private container train operations

**US\$130 bn** investment envisaged by Indian Railways over the next 5 years

**2 Dedicated Freight Corridors** - one on the Western route (Jawaharlal Nehru Port to Dadri) and another on the Eastern route (Ludhiana to Dankuni)

**6 tenders worth US\$1.2 bn**, for setting up a country-wide electricity transmission network  
Redevelopment of **90** railway stations into world-class transit hubs

**3<sup>rd</sup>** largest railway market, making India 10% of the global market

**3.3 bn** tonnes freight traffic in 2030 from 1.1 bn tonnes in 2017

**1 mn** new jobs generated by Indian Railways

**Harness solar energy** by utilizing rooftop spaces of railway stations, other railway buildings and land, through the PPP mode in order to use renewable energy

# POLICIES

**National Rail Plan** 2030 to provide long term prospective to planning by integrating the rail network with other modes of transport

**Foreign Rail Technology Cooperation Scheme** to attract private sector investment

Policy on **Participative Models** for Rail Connectivity & Capacity Augmentation Projects

**New export policy for Railways**

**100% FDI under automatic route**

# PROGRAMS

**Bullet Train** and the induction of semi-high speed train-sets

**High Speed Rail Corridors**

**Dedicated Freight Corridors**

**Modernization** of railway stations

**Upgraded coaches**

**E-Ticketing** and improved passenger on-board experience

Boosting **indigenous manufacturing New lines**, track conversion and doubling

**Robotics** and Industry 4.0 in production

Transforming Indian Railways to a '**Green**' **Railway Gauge** conversion

# Government Support

**State incentives** on land, power, rates of interest on loans, investment subsidies and special incentive packages for mega projects

Various kinds of **export incentives**

**Area based incentives** for Special Economic Zones and special areas, such as the North-East, Jammu & Kashmir, Himachal Pradesh & Uttarakhand

# Investment

**JNPT Rail Connectivity Project**

**Katghora** – Dongargarh New Rail Line

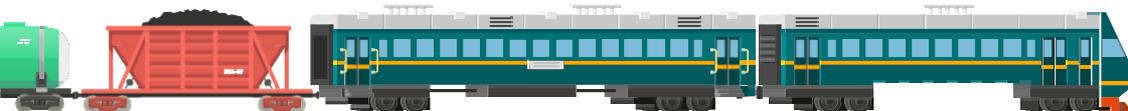
**Kharasia** - Naya Raipur Durg New Rail Line

**Dedicated Freight Corridor Project**

**Diamond Quadrilateral Network of High-Speed Rail**

**Mass Rapid Transport Systems**

**62 ongoing projects offering investment opportunities**



# RENEWABLE ENERGY

Under the Paris Agreement, India pledged that the greenhouse gas emission intensity of its GDP will be reduced by 33-35% below 2005 levels, by 2030; 40% of India's power would be generated from non-fossil fuel sources; India would create an additional 'carbon sink' of 2.5 to 3 bn tonnes of CO<sub>2</sub> equivalent through

additional forest and tree cover by 2030. India is working at a super-fast pace to honour its pledge. The country expects to reach its goal of 40% share of renewables 3 years ahead of time. India's potential as a major market for renewable energy, especially solar and wind make this possible. India's renewable

energy sector has the potential to create many employment opportunities at all levels, especially in rural areas. With strong push by the government the renewable energy sector has become very attractive, from an investor's perspective.

## PERFORMANCE

- Largest** renewable expansion plan globally
- No. 1** in ground based solar power and world's largest rooftop solar plant
- 4<sup>th</sup>** most attractive renewable energy market in the world
- 4<sup>th</sup>** largest wind power capacity in the world
- 5<sup>th</sup>** in installed renewable energy capacity, as of October 2018
- 6<sup>th</sup>** largest solar power capacity in the world
- 8-fold** increase in solar capacity between 2014-18
- 21%** renewable energy capacity as proportion of the country's total energy capacity
- 7,103 MW** of renewable energy capacity added during 2018-19
- 77 GW** cumulative installed renewable energy capacity as on February 2019
- 35.3 GW** from Wind Power - February 2019

- 27.09 GW** from Solar Power- February 2019
- 9.92 GW** from Bio Power- February 2019
- 4.54 GW** from Small Hydro Power- February 2019
- 102 bn units:** Power generation from renewable energy sources (excluding large hydro) in 2018
- US\$42 bn:** Investments in India's renewable energy sector since 2014
- US\$7.4 bn:** Investments in clean energy in the first half of 2018
- US\$3.2 bn** FDI between 2015-18

## POTENTIAL

- Solar** 750 GW
- Wind** 300 GW
- Bio-energy** 25 GW
- Small Hydro** 20 GW
- 175 GW target by 2022, as per the **Paris Agreement**
- 225 GW is the government's **renewable energy capacity** achievement aim by 2022



# POLICIES

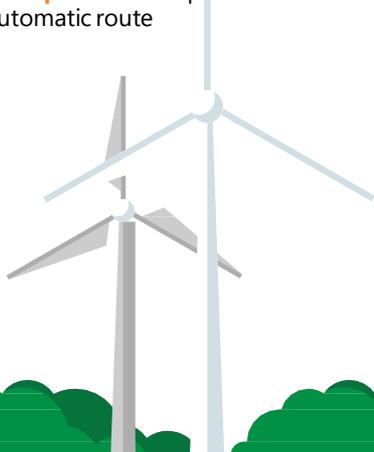
Amendments in **Tariff Policy** to promote Renewable Energy

**Hydropower policy** for the growth of hydro projects around the country in 2018

**National Wind-Solar Hybrid and Off-Shore Wind Energy Policy** released

**National Mission** on advanced ultra-supercritical technologies for cleaner coal utilisation

**FDI up to 100%** is permitted under the automatic route



# PROGRAMS

Development of **Solar Parks** and Ultra Mega Solar Power Projects

Development of power transmission network through **Green Energy Corridor** project

**100 Smart City** projects and **60 solar cities** have been approved

**US\$5.8 bn** Green Energy Corridor for optimal utilization of wind resources

Off-grid and **decentralized renewable energy systems** and devices

**US\$1.3 bn** for setting up 50 solar parks of 40GW by 2020

**US\$5.8 bn** Green Energy Corridor being set up to ensure evacuation of renewable energy

**Upgradation of watermills** and micro hydro projects

**Battery packs** for electric vehicles

The **Indian Railways to cut down emission** levels by 33% by 2030

# Government Support

**Bank loans** up to a limit of US\$2.3 mn will be given to borrowers for renewable energy projects.

Making **rooftop solar** a part of housing loan provided by banks

Supporting **R&D** on various aspects of renewable energy

**Financial incentives** for off-grid and decentralized renewable energy systems and devices for meeting energy needs for cooking, lighting and productive purposes

**KUSUM scheme** for providing 17.5 lakh standalone Solar Pumps with a capacity of 1000MW

**Solarization** of 10 lakh grid connected pumps and installation of 1000 MW small solar power plants up to 2MW capacity, by farmers

# Investment

**Waste to Energy Project** – Indore

**Waste to Energy Project** – Firozabad

**Waste to Energy project** – Aligarh

**Biomass-based Power Project**



# RETAIL

India's retail market is at the cusp of growth. The country's large population base, an upwardly-mobile affluent middle-class, evolving consumer attitudes, favourable demographics and internet penetration are driving this surge

in buying. Consumption power of urban Indians has amplified to the extent that India is billed to be the world's 3<sup>rd</sup> largest consumer economy by 2023.

## DIFFERENTIATORS IN INDIA'S MARKET



**60%** of India's GDP is driven by domestic private consumption



Unorganized retail market **larger** than organized



**India's Millennials and Gen Z** will become a major consumption pool



**1/3<sup>rd</sup>** of India's consumption market dominated by food and grocery



A sprawling rural hinterland base waiting to be tapped



**77%** of consumers expect an offering of products and offers that appeal to their personal tastes

## PERFORMANCE

**5<sup>th</sup>** largest retail destination in the world

Among **top 3 employers** in India

**10%** contribution to India's GDP

**US\$60 bn** current value of organised retail market

**US\$52.75 bn** is the value of FMCG market in India

Demand for **retail space**

**US\$1.42 bn** cumulative FDI Inflow between April 2000 to June 2018

**77<sup>th</sup>** in the World Bank's Ease of Doing Business Ranking for 2019

## POTENTIAL

**US\$1 trn** by 2020 is the expected value of India's retail market

**US\$6 trn** opportunity by 2030 (World Economic Forum figures)

One of the most **dynamic consumption environments**

**Multinationals expected to invest** in warehouses, logistics, accounting, customer services etc creating ancillary jobs in the country

**22-25%** projected growth of organised retail market in 2021

**FMCG** is expected to be **US\$103.7 bn** by 2020

## POLICIES

**100% FDI** in multi-brand retail for food products

**100% FDI** under automatic route for single brand retail trading

**100% FDI** allowed in duty-free shops under automatic route

**51% FDI** in multi-brand product retail (online presence not allowed) under government route

**100% FDI** allowed in cash & carry wholesale trading under automatic route



## PROGRAMMS

### Government Support

**GST** was introduced as a single unified tax system

Government has **relaxed sourcing and investment rules** for supermarkets

### Investment

US retail giant Walmart has plans to open **50 stores** by 2020

Swedish furniture retailer IKEA expected to invest **US\$1.54 bn** in India

British multinational retailer Marks & Spencer has **71 stores** in India

German sportswear group runs **436 stores** and 203 franchise run Reebok stores

Swedish fashion retailer Hennes & Mauritz will open **50 stores** investing **US\$1 mn** by 2020

British firm Dyson to invest **US\$200 mn** into India operations over next 5 years

# ROADS & HIGHWAYS

India has one of the largest road networks in the world. The country also holds the unique distinction of being the fastest developer of highways. The Government of India has launched major initiatives to upgrade and

strengthen highways and expressways in the country. Private players are entering the business through India's well-developed Public-Private Partnership (PPP) model.

## PERFORMANCE

**No. 1** in speed of highway development in the world

**2<sup>nd</sup>** largest road network in the world spanning 5.5 million kms, comprising National and State highways, urban and rural roads

**US\$2.8 bn** for building rural roads 2019-20

**+200** national highways in India

**15%** share of GDP on logistics & transportation

**47,447 km** roads constructed under Prime Minister's Gram Sadak Yojana (PMGSY) in 2017-18.

**9,829 km** construction of highways in 2018

**26.93 km** average length of highway constructed per day

**Highest** ever construction of 133 km per day of rural roads in 2016-17

**744** projects awarded under PPP

**40 km** highways construction in India between 2018-19

Project Monitoring Information System introduced by **NHAI**

**No. 1** FDI in Indian roads sector by MAIF 2

**US\$1.58 trn** – estimated investment in 2019

**64.5%** of all goods in the country transported via road

**90 %** of India's passenger traffic uses road network



# POTENTIAL

The Government of India aims to complete **200,000 km national highways** by 2022

Several opportunities in **efficient operations & network management** for improving logistics efficiency

**Bharatmala Pariyojana Phase-1** to be implemented at a cost of **US\$82 bn**

**Economic corridors development** - 9,000 km at **US\$18.46 bn**

**Inter-corridor & feeder roads** - 6,000 km at **US\$12.30 bn**

**National Corridors Efficiency** – 5,000 km at **US\$15.38 bn**

**Border & international connectivity roads** - 2,000 km at **US\$3.84 bn**

**Coastal & port connectivity roads** - 2,000 km **US\$3.07 bn**

**Expressways** - 800 km at **US\$6.15 bn**

**4-laning** of 37.03 km Punjab-Himachal Pradesh Border to Sihuni section at **US\$230 mn**

Government building **new expressway** on Greenfield alignment

# POLICIES

**100% FDI is allowed** under the automatic route subject to laws and regulations

**Bharatmala Pariyojana** for highway sectors

# PROGRAMS

**Funds to the State Government** for development of state roads

**Electronic Toll Collection System**

**Value Engineering Programme** to promote use of new technologies, materials and equipment in highway projects executed in PPP or public funding mode

Automation of Regional Transport Offices under **Transportation Mission** Mode Project

**Intelligent Transport Systems** (ITS)

Development of **Logistic Hubs** enabling seamless inter-state public transportation

Bidding for **National Highways** under the **Toll-Operate-Transfer Scheme**

Restoration/replacement of bridges

**Replacement of level crossings**

**Tunnel projects**

**Asset recycling ToT**

(Toll-operate-Transfer) model

# Government Support

**1217** government projects underway

**US\$10.92 bn allocated to Ministry of Road Transport & Highways.** It includes US\$1.77 of revenue expenditure and US\$9.14 bn of capital expenditure.

**US\$82 bn** to be invested by 2022 under **Bharatmala Pariyojana**

# Investment

**KIM – Talasari NHDP VI Road Upgradation Project,** Gujarat, Maharashtra

**Peripheral Ring-road Project,** Karnataka

**Vadodara KIM NHDP VI Road upgradation Project,** Gujarat

**Road Upgradation Project Nagapattinam-Tuthukudi,** Tamil Nadu



# TEXTILES & GARMENTS

The history of India's textiles and garments industry dates back several centuries. This sector, comprising yarn, fibre, processed fabric and apparel, is one of the largest in the world. With a vast raw material base and manufacturing strengths across all value chains, India's Textile and Garments industry

contributes to 7% of India's industrial output in value terms, 2% of the GDP and 15% of the country's export earnings. The industry's strengths lie both in the hand-woven sector as well as mill sector. Cotton, wool, silk and jute, synthetics and a new array of innovative fabrics, including technical textiles, form the

backbone of the industry and offer a wide variety of products to market within India and around the world. The country also enjoys a competitive advantage in terms of skilled manpower and cost of production.

## PERFORMANCE

- No. 1** cotton producer
- No. 1** weaving capacity in the world
- 2<sup>nd</sup>** largest cotton exporter
- 2<sup>nd</sup>** largest spindle capacity
- US\$2.97 bn** FDI during April 2000-June 2018
- US\$39.20 bn** in 2018 exports from textiles from India reached
- 34.9 mn** bales of raw cotton
- India Handloom Brand** launched
- 3,400** textile mills with an installed capacity of 50 mn spindles
- 2.7 mn** power looms operational
- +100** countries import fabrics, textiles and clothing from India
- 60%** of exported fabric produced on power looms

- 9%** of the world's total consumption of technical textiles
- 197,775** looms were upgraded and **US\$36.5 mn** released
- 73 Yarn Bank projects** approved
- 21 e-commerce** entities engaged for online marketing of handloom products



## POTENTIAL

- 10%** expected sector CAGR (2016-2021)
- US\$123 bn** by 2021: Projection for the Textile and Apparel industry
- US\$300 bn** by 2024: Projection for exports
- 17 mn** skilled workers required by 2022
- Increase in **organised retail**
- Growth sectors** – branded garments, man-made fibres & technical textiles
- Growth in construction sectors to raise **demand for non-clothing textiles**
- Rising exports** of textiles and apparels
- Value additions** in textiles and garments

# POLICIES

**100% FDI** under automatic route

**Scheme for Integrated Textile Parks** (SITP) to provide the industry with state-of-the-art world-class infrastructure facilities

Technology Mission for **technical textiles**

**Budget allocation increased by 14% to US\$1.1 bn**

Amended **technology upgradation fund** scheme

**Free trade with ASEAN**

# PROGRAMS

**Manmade fibre** and filament manufacturing

Value added and **specialty fabrics** manufacturing

**Fabric processing** units for all kind of natural, synthetic and specialty textiles

**Apparel**

**Retail brands**

Innovations in **silk** production

Investment in **retail** operations

**Technology** transfer

**Skill Development**

Commercialisation of **Indian handloom**

**Knitwear**

India as a hub for **handloom**

**Exports** of finished products

**Textile equipment**

# Government Support

**Technology Upgradation Fund Scheme**,

a one-time capital subsidy for eligible benchmarked machinery

**Integrated Skill Development Scheme** to

enable the textile processing sector in meeting environmental standards through appropriate technology

**Infrastructure Development Schemes** for

Integrated Textile Parks, (SITP), Integrated Processing Development and Mega Textile Clusters

**Silk Samagra Scheme** to promote R&D and enhance brand image of Indian silk globally

**Special package** to boost exports, attract investments and create employment opportunities

10% to 20% **increase in basic customs duty** for 501 textile products, to boost indigenous production

**Rebate of state levies** disbursed to exporters  
Capacity building programmes through NIFT

**Indiasize**, a national sizing survey to conducted by National Institute of Fashion Technology (NIFT), New Delhi

**Area-based incentives**

**Jute ICARE programme** for farmers

Promotion of **Wool sector**

**Revival of NTC**

**National handloom development** programme for skill up-gradation, product and design development

Weaver **Mudra scheme** with loans to weavers

# Investments

**Textile Processing Project**,

Periyapattu, Tamil Nadu

**Development of Garment Park**,

Bhatauli, Jabalpur, Madhya Pradesh

**Cotton Yarn Project**,

Sindhudurg, Maharashtra

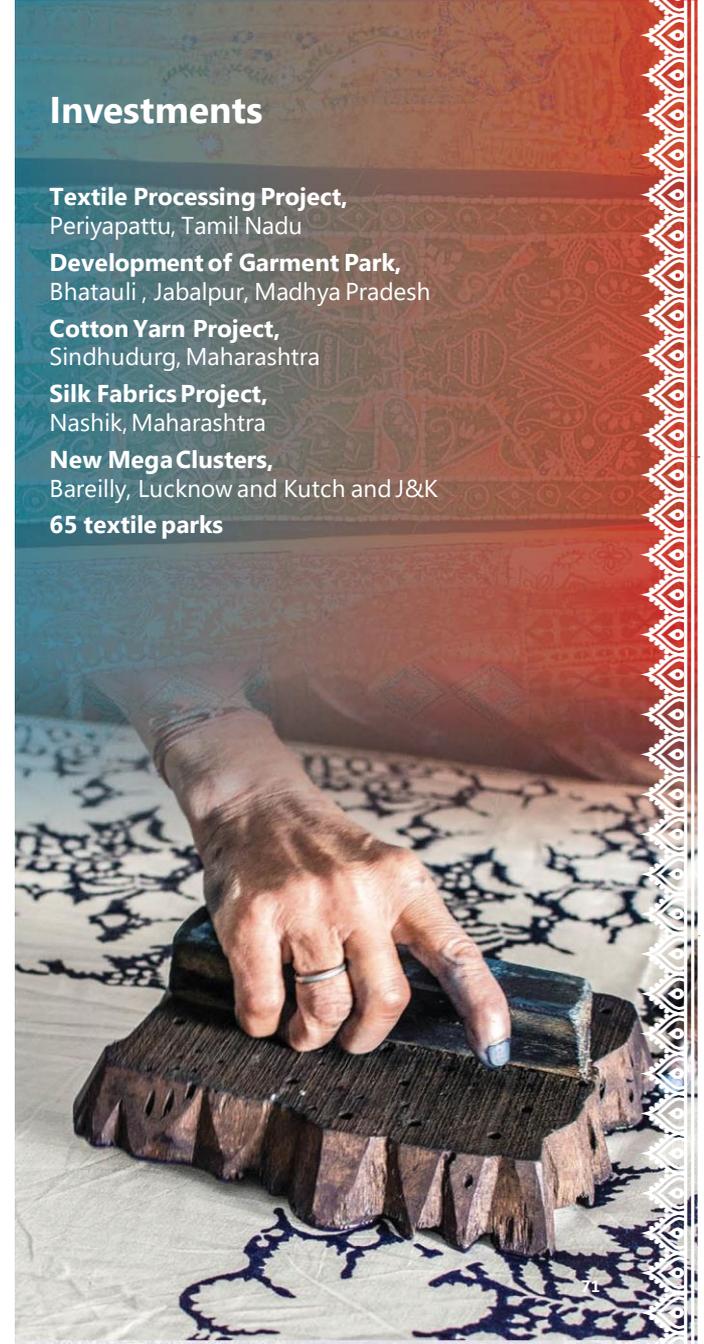
**Silk Fabrics Project**,

Nashik, Maharashtra

**New Mega Clusters**,

Bareilly, Lucknow and Kutch and J&K

**65 textile parks**



# TOURISM & HOSPITALITY

India is a 365-day tourist destination, which attracts tourists through its numerous curated experiences, resorts, homestays, hotels, world heritage sites, national parks, shrines for worship, fairs and festivals, beaches,

mountains, hill stations, deserts, palaces, traditional cuisine, and myriad shopping experiences. The World Travel & Tourism Council expects India to become the 4<sup>th</sup> largest travel and tourism economy in less than a decade.

The average tourist visiting India is one of the highest spenders in the world of tourism - a matter of much interest to investors in this sector.

## GROWTH PARAMETERS

**2.3%**

Domestic tourist visits

**13.4%**

Foreign tourist arrivals

**12%**

GDP from intl tourism

**10.2%**

Forex earnings

**41.5%**

e-Visas

India offers the following types of e-visas to 167 countries:

- e-Tourist Visa
- e-Business Visa
- e-Conference Visa
- e-Medical Visa
- e-Film Visa
- e-Medical Attendant Visa

## INDIA'S NICHE TOURISM OFFERINGS



Cruise tourism



Eco-tourism



Adventure tourism



Rural tourism



Golf tourism



Polo tourism



Wellness tourism



Film tourism



Medical tourism



MICE

(Meetings, Incentives, Conferences & Exhibitions)

# PERFORMANCE

**1<sup>st</sup>** in the world in terms of direct contribution to employment (2016)

**3<sup>rd</sup>** in WTTC Travel & Tourism Power and Performance

**7<sup>th</sup>** largest tourism economy in the world

**9<sup>th</sup>** largest in cultural resources and business travel in the world

**14.6 mn** jobs created by the tourism industry between 2014 -18

**9.4 mn** foreign tourist arrivals between Jan-Nov, 2018 registering a growth of 5.6%

**US\$22.3 bn** Foreign Exchange Earnings (FEEs) between Jan-Oct, 2018

# POTENTIAL

**250 tourism infrastructure-related projects** worth US\$5.8 bn

**5 mega economic tourism zones** to attract global tourism players

**Udaan Scheme** to include tourism infrastructure development

**Destination circuits** and restoration of heritage sites

**Public-Private-Partnership** programs for Infrastructure improvements

**Improved support functions** such as packaged tour services, cab services and recreational facilities at tourist locations

# POLICIES

**India's National Tourism Policy** to promote India as a 365 day tourism destination

**FDI Policy** allows 100% FDI in tourism and allied businesses

**VISA Policy** is conducive to investments in this sector

# PROGRAMS

**73 theme-based** circuits covering 30 States and Union Territories

**Integrated development** of iconic tourist sites and pilgrimage destinations

**9 projects** launched under the Swadesh Darshan Scheme in Manipur, Arunachal Pradesh, Andhra Pradesh, Nagaland, Chhattisgarh and Madhya Pradesh

**'Adopt a Heritage'** project, conducted in collaboration with the Ministry of Culture and the Archaeological Survey of India

**Holistic development** of islands program – Andaman & Nicobar islands

**Inauguration of Indian Culinary Institute** in NOIDA and Tirupati to preserve, document and promote Indian cuisine

# Government Support

**Tax incentives** by the State and Central Government

**Assistance in large revenue-generating projects**

**Public Private Partnerships (PPPs)** in infrastructure development

**Capacity-building** of service providers

**Incentives** for setting up projects in special areas

# Investment

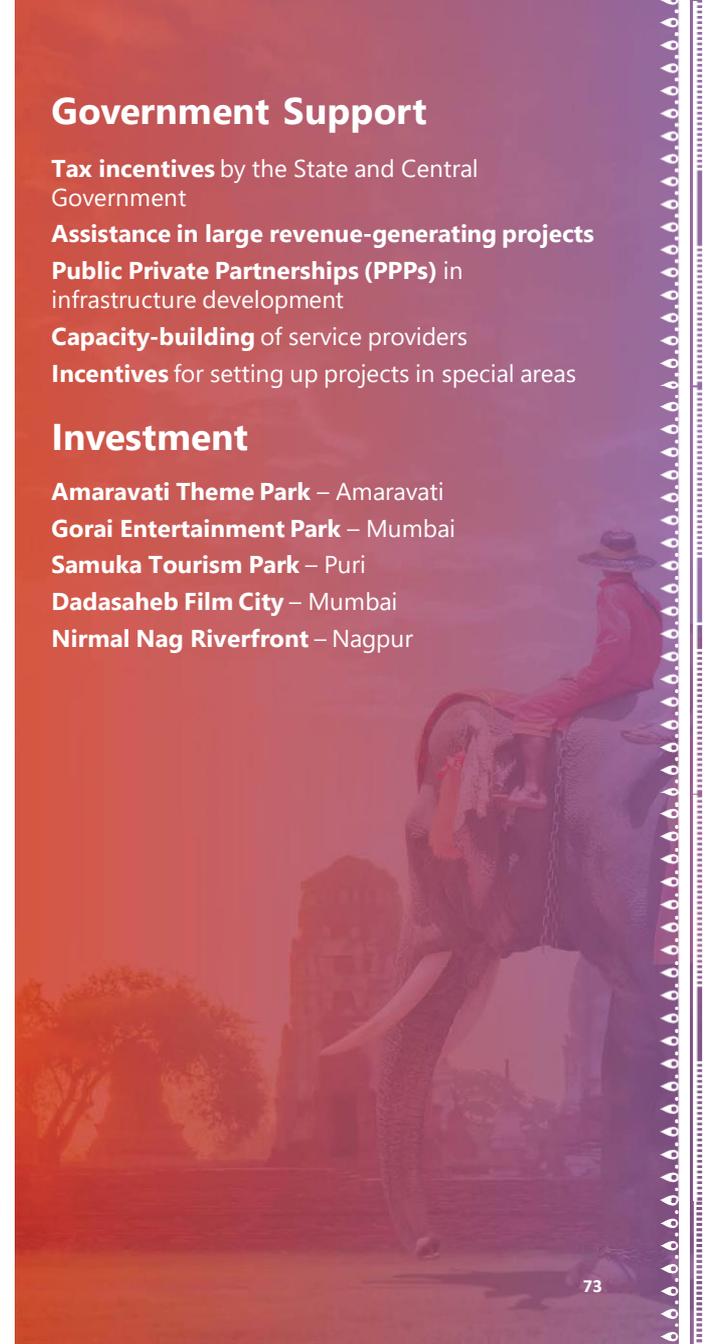
**Amaravati Theme Park** – Amaravati

**Gorai Entertainment Park** – Mumbai

**Samuka Tourism Park** – Puri

**Dadasaheb Film City** – Mumbai

**Nirmal Nag Riverfront** – Nagpur





Ministry Of External Affairs  
Government Of India



ECONOMIC  
DIPLOMACY  
& STATES  
DIVISION

Economic Diplomacy and States Division, Jawahar Lal Nehru Bhawan,  
23 – D, Janpath, New Delhi – 110011

[www.mea.gov.in](http://www.mea.gov.in)