



**“India Central Europe Business Forum”**  
**“Investment Opportunities in India: Emerging Perspective”**

# INVEST INDIA

❏ The official Investment Facilitation Agency for India

❏ A “not-for-profit” joint venture



❏ **Focal points** – in Indian States and in embassies / consulates

❏ Handholding through the investment lifecycle



# INDIAN ECONOMY – SALUTARY OUTCOMES & OUTLOOK

- ❑ GDP growth ~ 5% (sustained economic reforms since 1991)
- ❑ Target of 12<sup>th</sup> Five Year Plan (2012-17) ~8%
- ❑ Government committed to further reforms & sustaining inclusive growth
- ❑ Growing requirement of capital for higher growth
- ❑ High domestic savings (~30%) supplemented by large foreign inflows (FDI, FII & intra-company transfers totaled \$85 b in 2011-12) have facilitated eco development
- ❑ Need greater foreign inflows to finance higher growth targets
- ❑ Government commitment to
  - ❑ Providing level playing field to foreign and domestic investors and businesses
  - ❑ Improving efficiency in the use of capital & technology
  - ❑ Employment-generative growth strategies

# FDI Policy & Procedures

## NEGATIVE LIST

- FDI not allowed in:
- ❑ Lottery, Gambling & Betting
  - ❑ Trading in Real Estate
  - ❑ Manufacturing of Cigars and cigarettes
  - ❑ Sectors not open to pvt sector investment (incl N-energy)
  - ❑ Agriculture (excludes floriculture, horticulture under controlled conditions)

## AUTOMATIC ROUTE

- ❑ 100% FDI permitted in most sectors
- ❑ No prior approval necessary; only central bank to be informed

## GOVERNMENT (FIPB) ROUTE

- ❑ Approval reqd from Foreign Investment Promotion Board in certain cases
- ❑ Proposals with total foreign equity more than INR12B (~ \$269m) must be cleared by Cabinet Committee on Economic Affairs

Consolidated FDI Policy available on DIPP website (<http://dipp.nic.in/>); also available on Invest India website (<http://investindia.gov.in/>)

# INDIA - POLICY MEASURES

FDI policy reforms	Companies Act, 2013
National Manufacturing Policy (NMP)	E-Biz Mission Mode Project
Cabinet Committee on Investment	Setting up of Invest India

## FDI Policy Reforms

- 100% FDI allowed in the telecom sector
- Easing norms for multi-brand retail; 100% FDI in single-brand retail
- FDI in commodity exchanges, stock exchanges & depositories, power exchanges, petroleum refining by PSU's, courier services under the government route has now been bought under the automatic route. Removal of restriction in tea plantation sector.
- FDI limit raised in credit information & asset reconstruction companies

## Cabinet Committee on Investments

- Constituted on 2nd January, 2013, the CCI is chaired by the Hon'ble Prime Minister
- Help expedite key projects involving investments of INR 10 billion or more, or any other critical projects, as may be specified by the Committee, in sectors such as infrastructure, manufacturing, etc

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- **Opportunities in Industrial Zones**

# DELHI MUMBAI INDUSTRIAL CORRIDOR (DMIC)

- Global manufacturing & investment destination (90\$b investment)
  - 1500km long, high-capacity, western Dedicated Railway Freight Corridor (DFC)
  - 24 international-caliber ICT-enabled industrial cities (including 8 NIMZs) envisioned in the master plan
  - Opportunities across the value chain - power, transportation, equipment, internal infrastructure, ICT



UP

HARYANA

RAJASTHAN

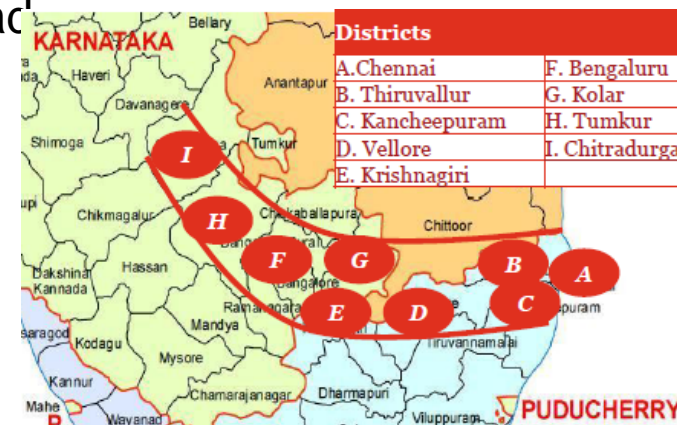
MP

MAHARASHTRA

GUJARAT

# CHENNAI BENGALURU INDUSTRIAL CORRIDOR (CBIC)

- It will cover distance of 560 Km spread across the three states



AP

KARNATAKA

TAMIL NADU

## Other Industrial Corridors

### ❑ **Mumbai Bengaluru Industrial Corridor (CBIC)**

- ❑ The Mumbai-Bangalore economic corridor is a proposed economic corridor in India between Mumbai and Bangalore.
- ❑ Indian government has aimed to generate an investment over ₹300,000 crores (USD 50 billion) from this corridor and expected to create 2.5 million jobs
- ❑ Mumbai-Bangalore corridor is expected to pass through different cities, Pune, Satara, Kolhapur, Belgaum, Dharwad, Davangere, Haveri, Chitradurga and Tumkur

### ❑ **Amritsar - Delhi - Kolkata Industrial Corridor**

- ❑ Eastern dedicated Freight Corridor as the backbone; also leverage the Inland Waterway System being developed along National Waterway - 1
- ❑ From Ludhiana (Punjab) to Dankuni (West Bengal); covers Punjab, Haryana, UP, Uttarakhand, Bihar, Jharkhand & West Bengal



# MANUFACTURING

## National Manufacturing Policy

- Targets for 2022 - Improve manufacturing share in GDP from 16% to 25%; Create 100m additional jobs in manufacturing
- Emphasis on value-addition; optimal use of natural resources; energy efficient

### Special Focus Sectors

Industries with Strategic Significance - Defence Equipment; Aerospace; Shipping; IT Hardware, Electronics; Telecommunication; Solar Energy

Capital Goods Industries - Machine Tools; Earth Moving and Mining Equipments; Heavy Electrical Equipments; Heavy Transport

Industries where India enjoys competitive advantage - Automobiles; Pharmaceuticals and Medical Equipment

Employment Intensive Industries - Textiles & Garments; Food Processing Industries; Leather & Footwear; Gems & Jewellery

Public Sector Enterprises

# INFRASTRUCTURE

- ❑ \$1 trillion investment target (2012–2017)
- ❑ Opportunities exists across segments

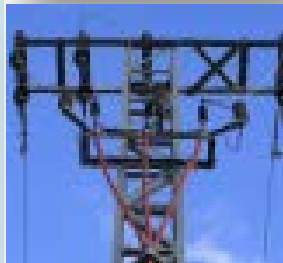
## ROADS & HIGHWAYS:

World's second largest road network; \$60b NHDP, 60% slated for private financing  
Opportunities - development projects, logistics and services.

**WATER:** Opportunities – urban water supply, waste water treatment, desalination

## CONSTRUCTION/REAL

**ESTATE:** High growth in housing, retail, hospitality, and commercial; relaxation of norms likely in the near future



**POWER SECTOR:** Investment target \$235billion (for 2012-17); Opportunities - power generation & transmission; manufacturing / supply of power equipment.

**RENEWABLE ENERGY:** 15% of energy requirement through renewable sources by 2020; Target to reduce energy by 5 – 10% by 2014 in power intensive sectors

**PORTS:** Maritime Agenda 2010-20 port capacity of ~3200MT by 2020; upgrading domestic ports; enhancing share in global ship-building to 5% by 2020.

**AVIATION:** ninth largest civil aviation market ; domestic airlines carry ~60m passengers; FDI norms relaxed; airports modernization



***THANK YOU***

W: [www.investindia.gov.in](http://www.investindia.gov.in)

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