



INVEST INDIA
NATIONAL INVESTMENT PROMOTION
& FACILITATION AGENCY

INDIA RESURGENT

November 2020

India emerging as World's Economic Powerhouse

1 Fastest growing G20 economy

1 Global fintech adopter

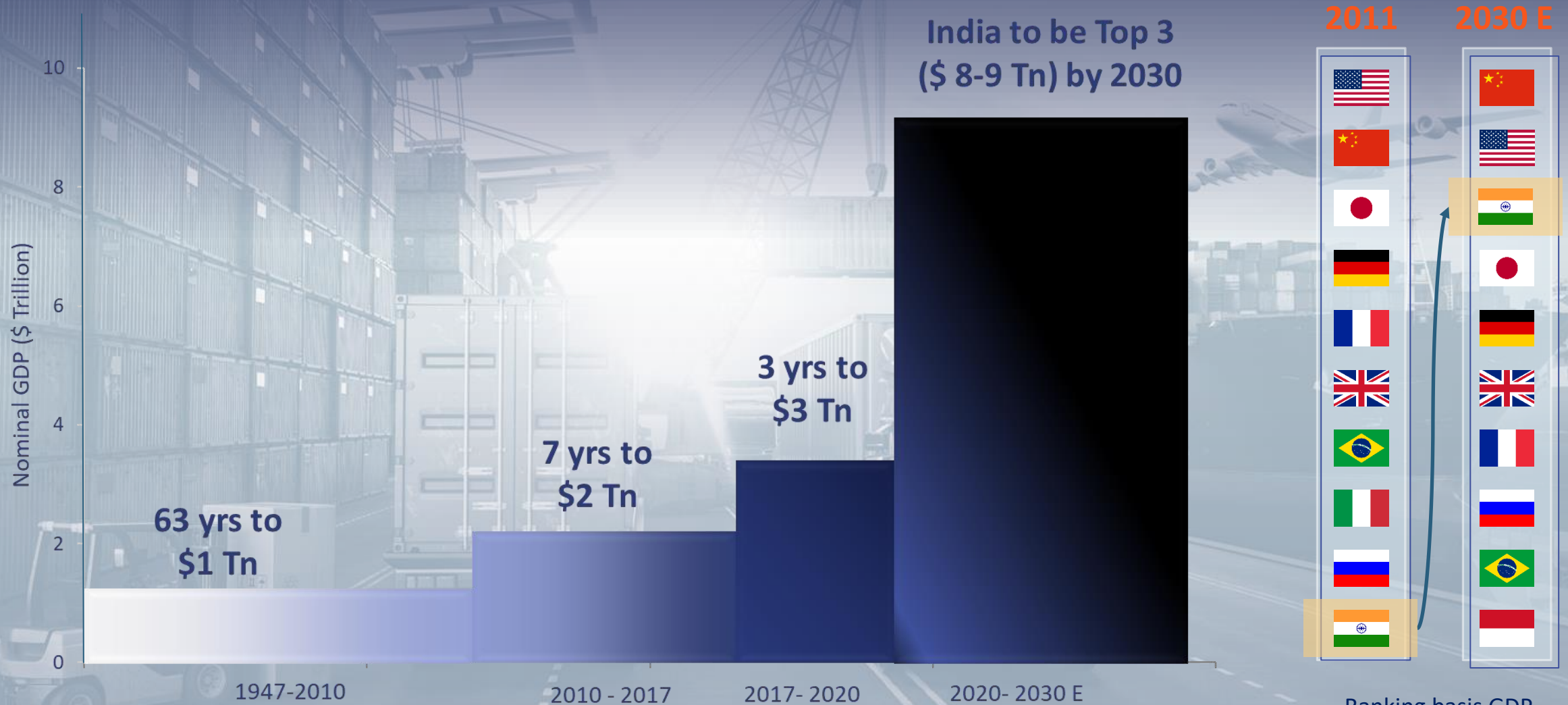
3 Economy by PPP

2 Internet users

3 Start-up ecosystem

<https://www.investindia.gov.in/eif/india-korea-digital-roadshow>

India growth accelerating despite flattening global growth



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

<https://www.investindia.gov.in/eif/india-korea-digital-roadshow>

Large and fast-growing domestic market key differentiator

Non-exhaustive



2nd largest smartphone market with **150+** Mn shipments, growing at **11%**



Fastest growing E-commerce market at **63% CAGR, USD 85 Bn** by 2023



World's 2nd largest steel producer with **140+** MT capacity



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



World's largest 2-wheeler market with **20 Mn+** vehicles, growing at **7%**



2nd largest footwear market at **2500+ Mn** pairs, growing at **5%**



4+ Mn passenger & commercial market, growing at **3%**



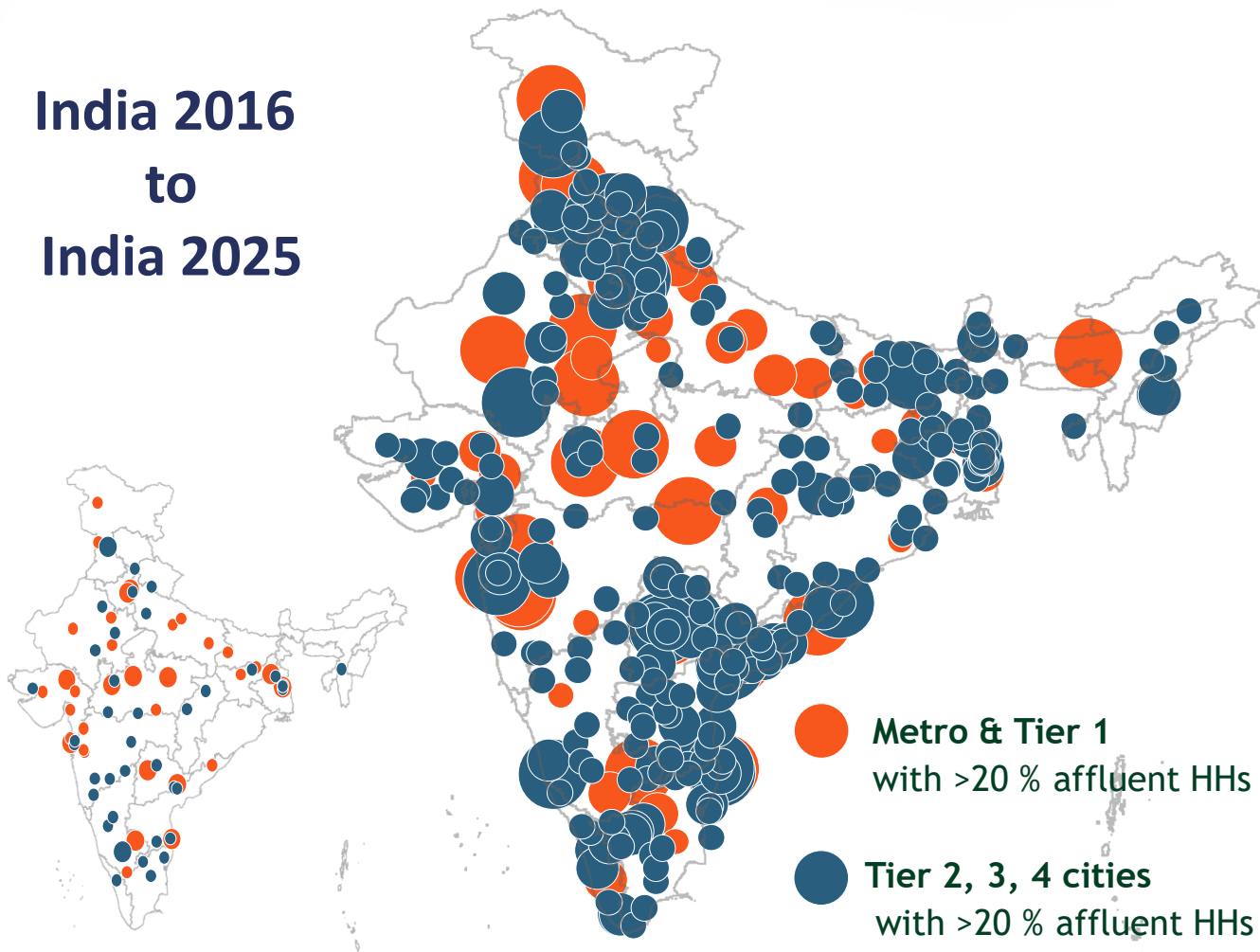
Durables growing at **3X** global growth at **18%**, Current market to double by 2023

Source: IMF, RBI, Forrester, IBEF

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Powered by exploding growth in Tier II, III, IV cities

India 2016
to
India 2025



Did you know?

Smaller cities already capture :



50% of Mercedes-Benz sales



60% of Amazon sales



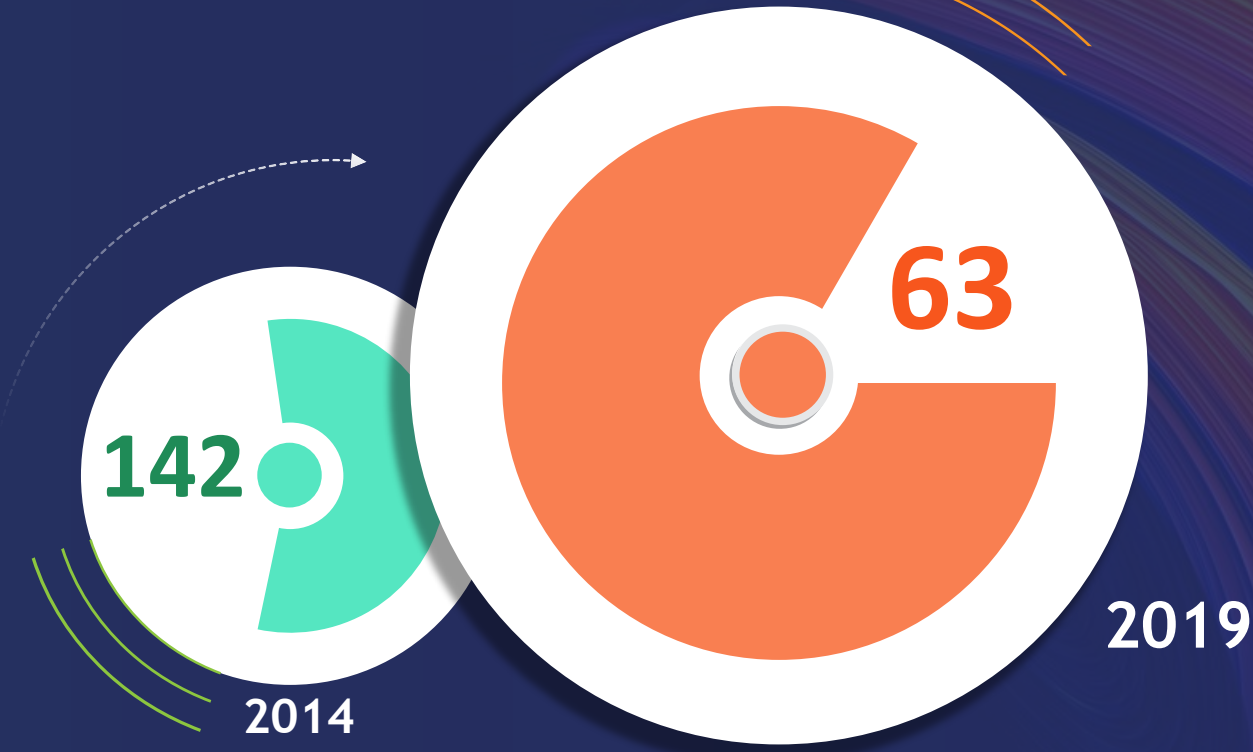
50% of Digital wallet user base

1. Customer segments defined on the basis of Annual Household Income (AHI) Affluent(AHI\$15.4k-30.8k), Elite(AHI>\$30.8k)

Source: CCI City Income Database 2016, BCG CCI analysis, Digital wallet data taken for Paytm

Vastly improved business climate in India

India jumped 79 places on
World Bank's Ease of Doing Business ranking
surpassing Vietnam & Indonesia



Additionally: _____



29 Places

Global Innovation Index
#52 (2019)

10 Places

Logistics Performance
Index #44 (2018)



Several reforms & being
taken to improve biz climate

Strong reform led agenda to make India more attractive

"Every tomorrow of India is better than today"

Cost of Doing Business

Ease of Doing Business

Risk of Doing Business

● **Competitive tax regime**

Corporate Income tax lowest in SE Asia reduced from 30% to 17% (vs. 25% in China, Indonesia)

● **Competitive factor cost**

Electricity made available at \$0.07 per kWh; lowest in entire region

● **Hassle-free land acquisition**

3000+ Industrial parks with 0.5+ million hectare readily available

● **Simplified existing processes**

Single form for company information; Single window at Indian customs

● **Provide fast track clearances**

Empowered Group of Secretaries & Project development cell for handholding investors

● **SOE bank reform**

Bank reform merging & allocated capital to most efficient institutions

● **Investor friendly laws**

Companies law being amended to decriminalize various provisions
Introduction of IBC to support insolvency proceeding

● **Business friendly labor reforms**

Condensing from >100 partially conflicting laws to 4 simplified & investor- friendly labor codes

● **Strong democratic institutions**

Razor sharp focus on business process simplification

Illustration: GST has been one of the biggest tax reforms implemented



~40 Indirect tax & Cess converged to 1 common GST

Simplification across entire tax process including **easier registration**



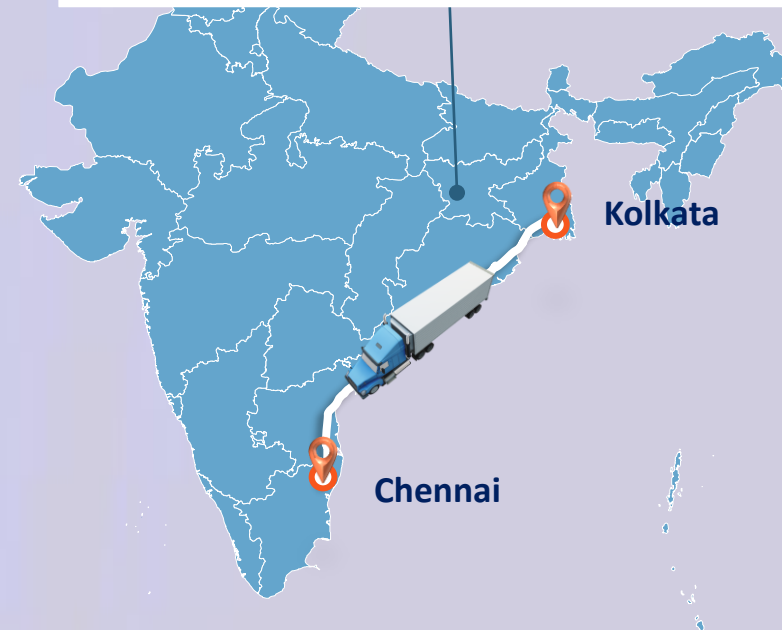
Reduction of input manufacturing costs due to simplification of tax policy

Removal of transportation bottlenecks such as check-posts, toll plazas etc.



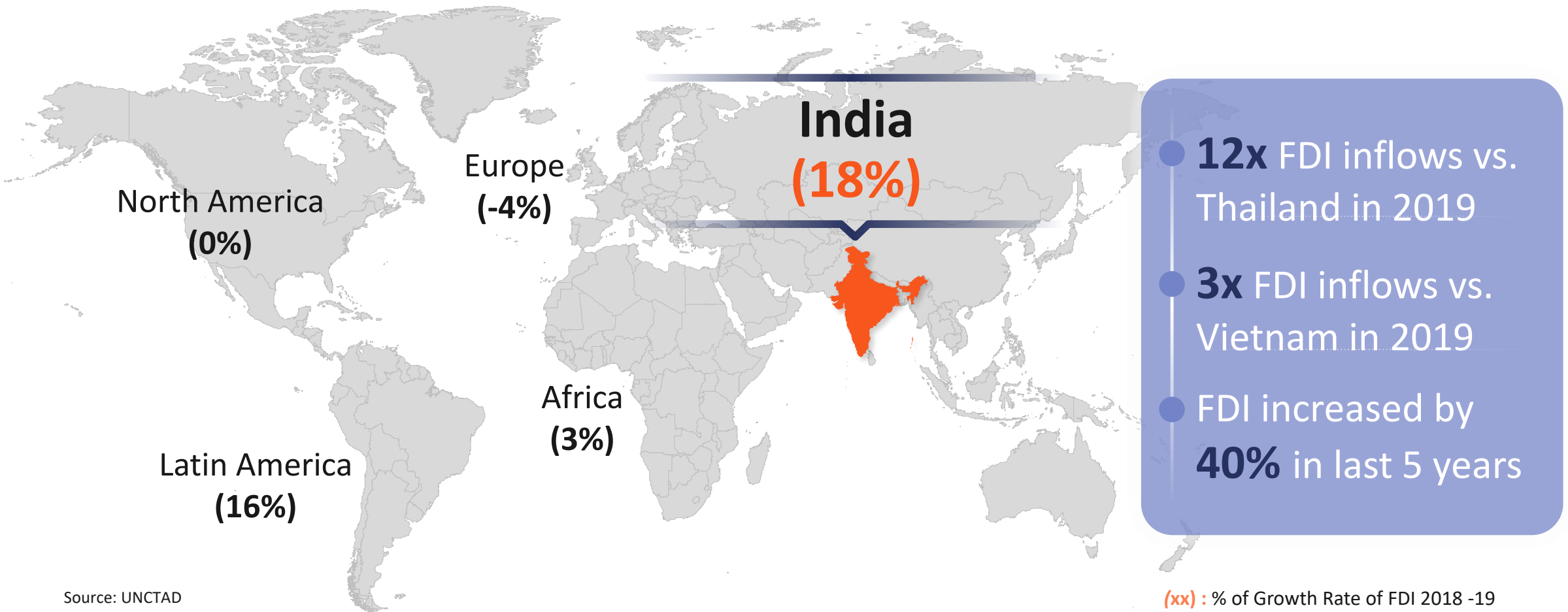
Removal of inter-state check posts has cut travel time of trucks by ~20%

20 – 30% travel time reduced across destinations



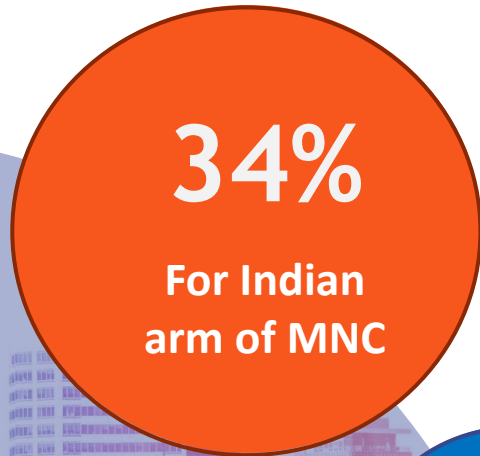
This has made India a preferred destination for global investors

..While Global FDI fell by 1% last year, FDI into India rose by 18%



.. Resulting in superior returns in India (vs global) for investors

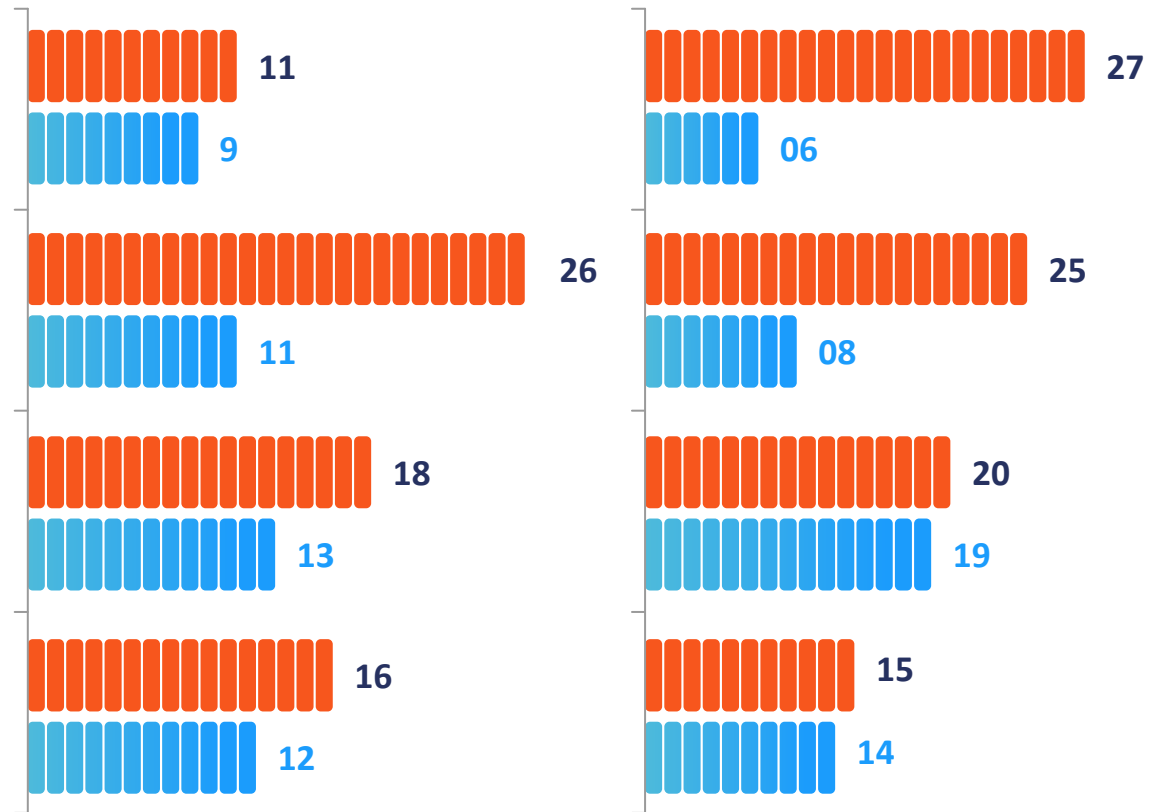
Median ROCE %



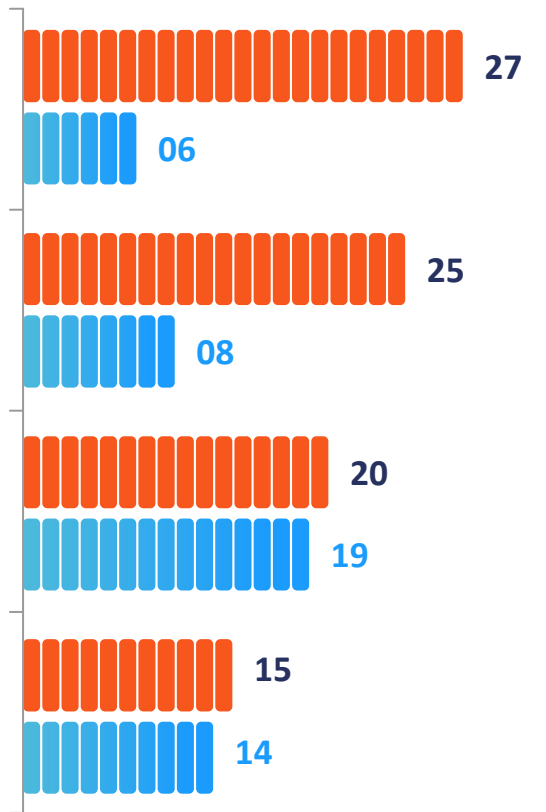
Examples



EBITDA %



ROCE %



Note: 1 USD = 70.54 INR, Honda numbers calculated for all subsidiaries and combined
Source: Capital Line, Capital IQ, Orbis, Ace Equity – 2017/2018 figures

Big-bang investments in infrastructure underway

\$1.4 Tn being invested in infrastructure in next 5 years



Bharatmala

65,000 kms+ of highways connecting 550 districts



Sagarmala

\$100+ Bn planned for port modernization



Freight corridors

10,000+ route kms (4 corridors) planned



Udaan

100 new airports planned under Udaan

...which will transform entire logistics landscape of India

5-6%

Decrease in
logistics cost



20-25%

Increase in
average speed of
road network



100%+

Increase in port
cargo handling
capacity



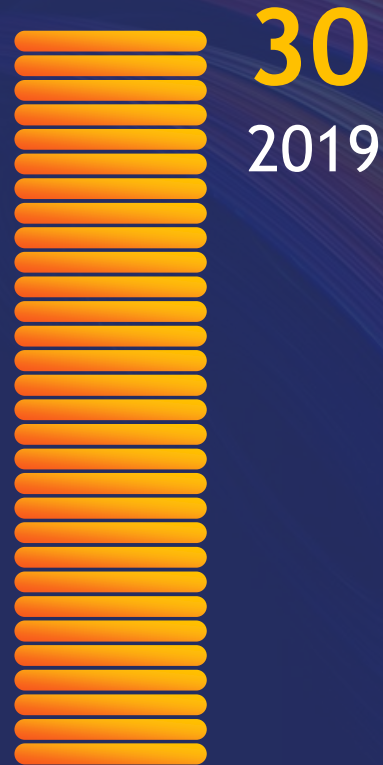
India has the third-largest startup ecosystem in the world

NUMBER OF UNICORNS

has **increased by 15 times** in seven years



2
2012



50k+

Startups in India

7X growth in last 10 years

**USD
63 Bn**

Funding raised

By 3000+ startups from 2014

**USD
1.3 Bn**

Corpus under Startup India

\$0.3 Bn invested in 279 startups

India is a preferred location for R&D, AI and Digital operations



900,000+

World's highest
Science & Engineering
graduates every year



Largest R&D Center outside of South Korea



GE Healthcare

India is the birth place of AI based platform - Edison



Largest R&D Center outside of the US

SIEMENS

50%+ of software and R&D team in India

PHILIPS
Healthcare

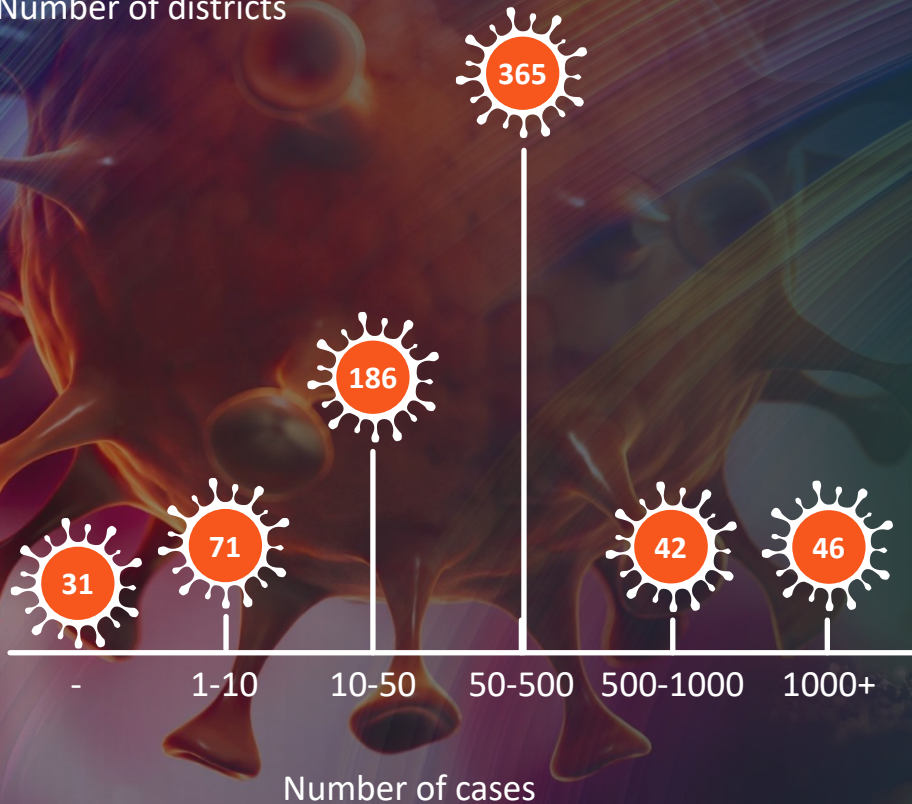
2000+ strong health Innovation center setup in India

<https://www.investindia.gov.in/eif/india-korea-digital-roadshow>

India is poised for resurgence in a post COVID-19 world

Few districts affected by COVID19

Number of districts



Green shoots already starting to appear

2nd largest

PPE manufacturer in the world;
achieved in 60 days

90+%

Pre-COVID levels for E-commerce order volumes

100%

Pre-COVID lockdown levels reached for digital payments & toll collections

95+%

Pre-COVID sales level reached for 2-wheelers and passenger cars

In summary, India offers \$ 5 Trillion opportunity to global investor community



24 Sectors
providing diversity
in opportunities
for investors



INDIA – KOREA : FOSTERING A SPECIAL BOND

Korea is the 3rd largest Asian investor in India

600+ Korean companies in India



LG

Amongst eco-friendly unit globally



HYOSUNG

Largest Spandex Factory in India



SAMSUNG

World's Largest Mobile Phone Factory in India



HYUNDAI

Exported 20+ cars every hour in 2019

<https://www.investindia.gov.in/eif/india-korea-digital-roadshow>

Korea Plus: Your Gateway to India



सत्यमेव जयते

Government of India
Ministry of Commerce and Industry
Department for Promotion of Industry and Internal Trade



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Ministry of Trade,
Industry and Energy

kotra

Korea Trade-Investment
Promotion Agency

<https://www.investindia.gov.in/eif/india-korea-digital-roadshow>

— KOREA PLUS

Korea Plus is a bilateral initiative between the Republic of India and the Republic of Korea to promote, facilitate and retain Korean investments in India. It is envisaged as the first reference point for Korean Investors in India.

Key Functions

- Opportunity assessment
- Location assessment
- JV and strategic partner research
- Issue redressal support
- Policy impact analysis
- Policy and incentive advisory
- Market entry strategy
- Approvals and compliance advisory
- Expansion advisory

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Our Team Members



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Team Advantages



Nodal agency between investors
and government



Joint team of investment experts
from both countries



Business advisory



One-stop-agency for Korean
investors



End-to-end facilitation



Thank You

Do visit our Focus Sector & State Repo:

<https://www.investindia.gov.in/eif/india-korea-digital-roadshow>



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