

Doing Business in India

Opportunities for Finland



INVEST INDIA

NATIONAL INVESTMENT PROMOTION
& FACILITATION AGENCY



सत्यमेव जयते
EMBASSY OF INDIA
HELSINKI

*Presentation at Jyväskylä City Hall
20 April 2022*

Bilateral relations



- Diplomatic relations were established in 1949
- Warm and friendly relations with regular political contacts. Positive image of Indian community and convergence of interest.
- Finland is a repository of cutting-edge technologies of relevance to India in telecom and IT, renewable energy, biotech, clean-tech, paper, forestry, IOT, 5G, energy efficiency, smart-grids, mobility services etc.
- India is a market for Finland's products and high technology industries. Also a source of qualified professionals for skilled labour.
- A virtual summit between PM Modi and Finnish Prime Minister Sanna Marin on 16 March 2021. The first interaction between the two leaders. They are meeting again in May in Copenhagen.
- *Agreed on:*
- Digital partnership involving cooperation in future ICT, focusing on quantum technologies and computing; future mobile technologies focusing on 6G R&D; and future education, focusing on digital transformation of teaching and learning

Bilateral relations

- The Sustainability Partnership to bring out convergences together in emerging technology and also in areas such as gas-based economy, biofuels, renewable energy, waste-to-energy, electricity storage and emerging fuels such as hydrogen
- High-Level Dialogue in education between the Education Ministries of both countries
- Exploring cooperation in Arctic, Afghanistan and Africa



INDIA: MACRO OVERVIEW



INDIA: OPPORTUNITY



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India: An Economic Powerhouse

#1 Fastest
Growing G20
Economy

#1 Smartphone
data consumer

#2 Internet
Users

#2 Global Retail
Index

#2 Global
Fintech Adopter

#3 Startup
Ecosystem

#3 Consumer
Market

#3 Largest
consumer of
oil

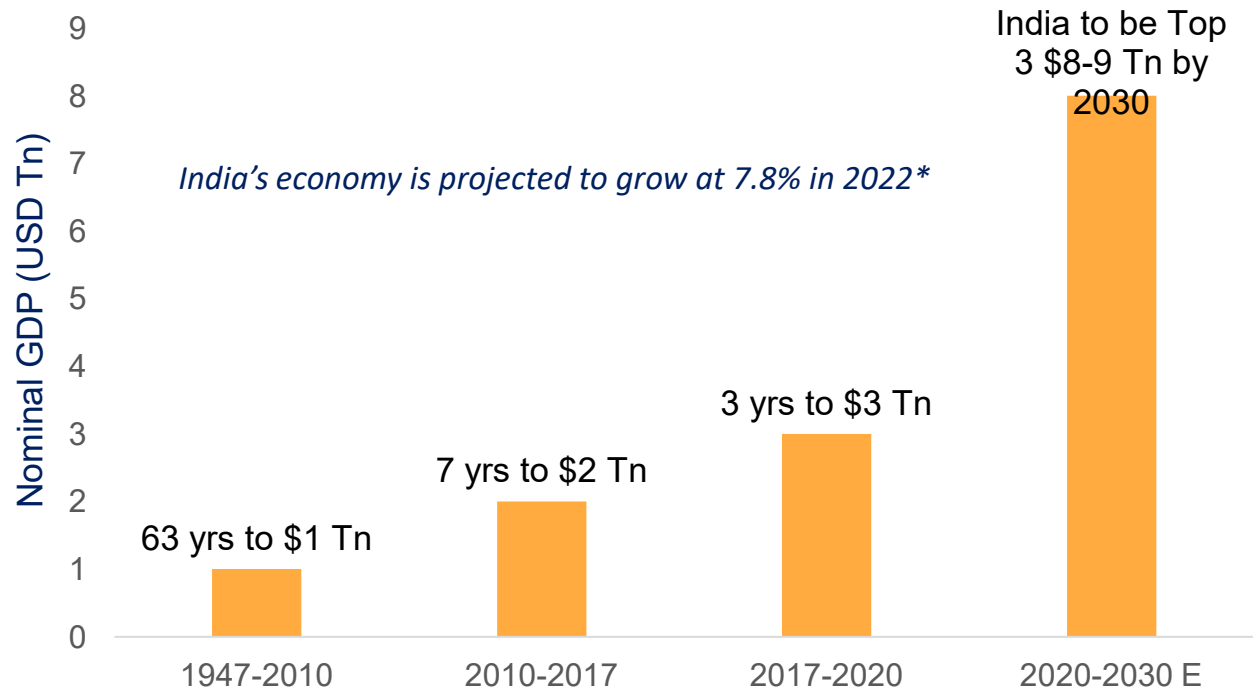
#3 Economy by
PPP

INDIA: GROWTH POTENTIAL



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Indian economy estimated to be in Top 3 by 2030



*RBI Monetary Policy Committee;

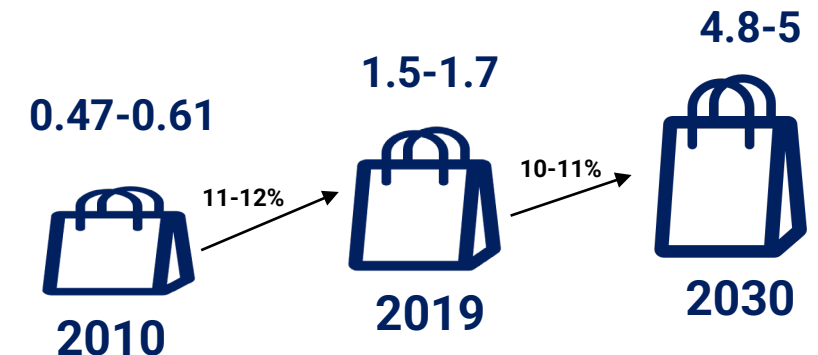
Note: Forecasts by International Monetary Fund, Oxford Economics, The Economist Intelligence Unit, OECD, The World Bank & Reserve Bank of India

- India remains fastest growing major economy - 9.2% GDP growth (FY 2021-22)
- Fiscal deficit estimated 6.4% for 2022-23; Government spending to lead infra development.

2030 Estimates

- World's 3rd largest economy
- Consumption market size of USD 4.8 - 5 Tn
- 197 Mn affluent households

Total Consumption (USD Tn)



Source: BCG

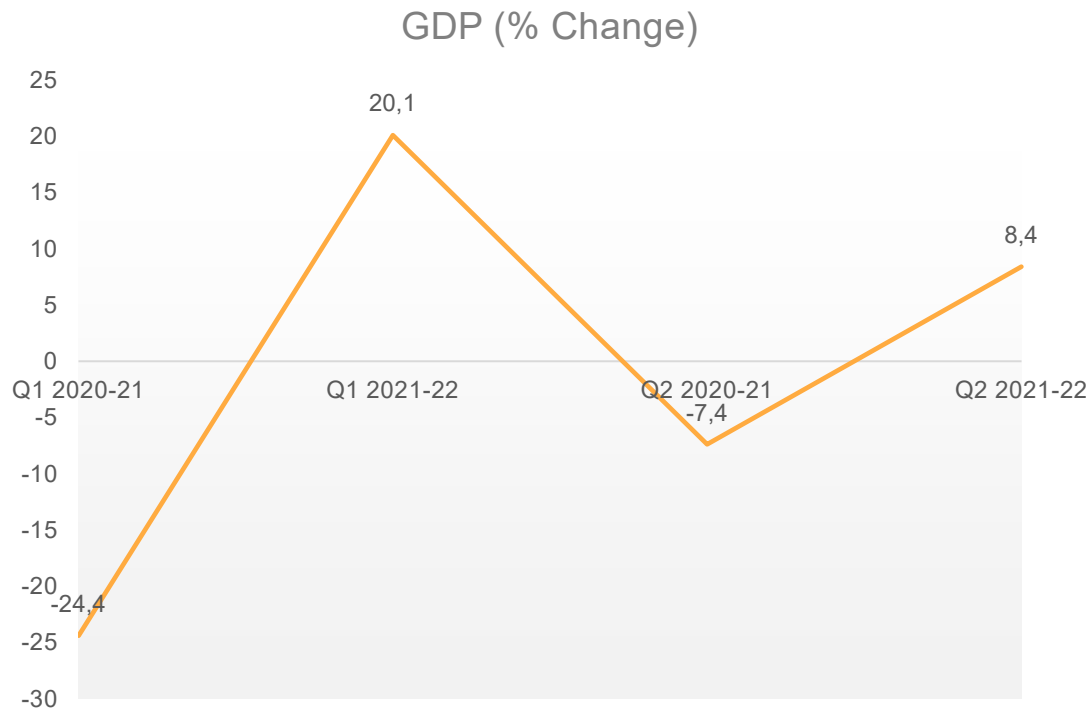
INDIA: ECONOMIC RECOVERY



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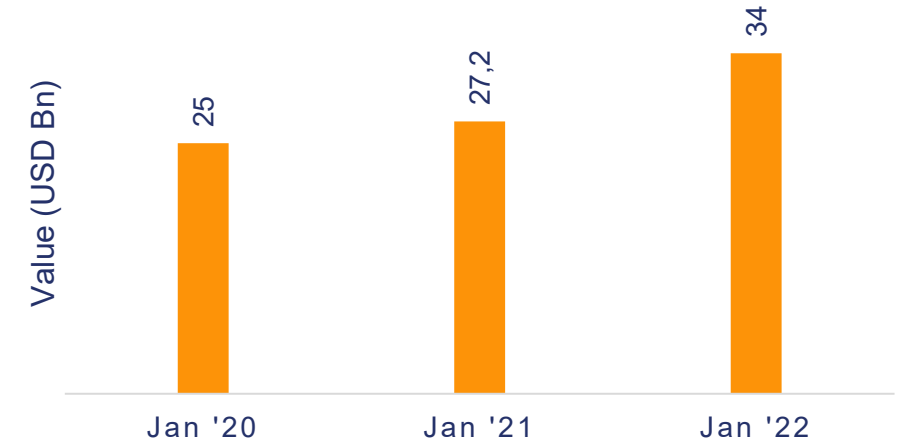
REGISTERED RECORD GROWTH OF 20.1% IN Q1 FY2022

Y-O-Y GDP GROWTH (IN %)



Source: Press Information Bureau

INDIA'S MERCHANDISE EXPORTS (US\$ Bn)



- Merchandise exports in **Jan 2022: USD 34 Bn | 24% Y-o-Y growth**
- **Top exports:** engineering goods, petroleum products, gems & jewelry, organic and inorganic chemicals, drugs and pharmaceuticals, electronic goods, cotton yarn/fabric/made-up and plastic and linoleum.

Source: Ministry of Commerce & Industry & RBI

ECONOMIC RECOVERY



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2nd

Largest Recipient of VC Funding in APAC region (USD 16.9 Bn)

3rd

Largest startup ecosystem

3rd

Largest number of unicorns at 88 (USD 295.9 Bn).

11

International Bridges



628

Districts with at least 1 startup

Preferred Unicorn Headquarters



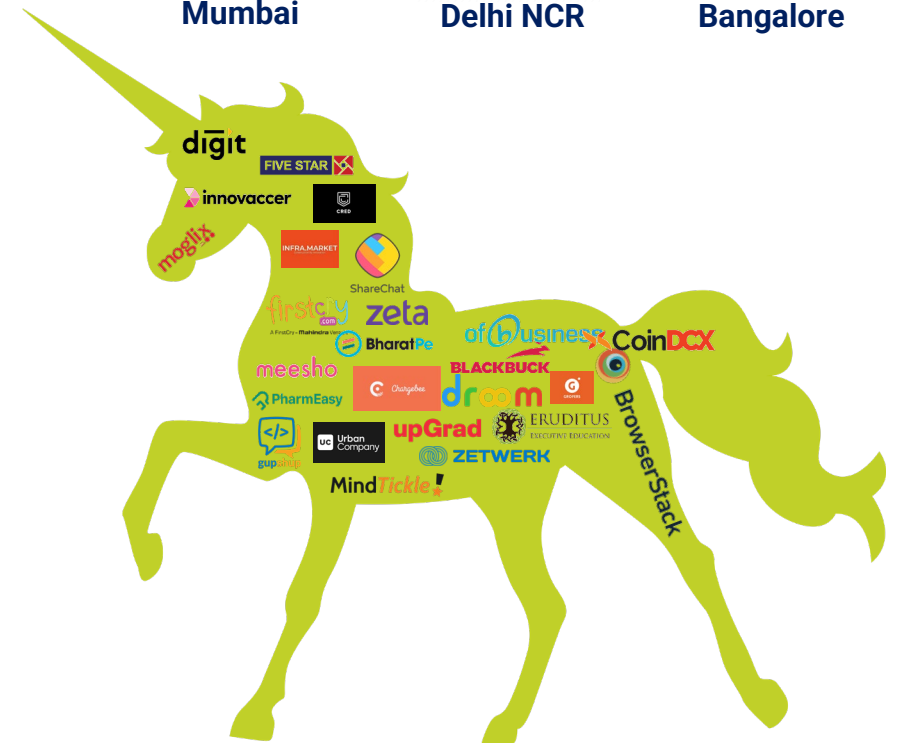
Mumbai



Delhi NCR



Bangalore



44 Unicorns added in 2021 (USD 94.4 Bn)

Source: Venture Intelligence

INDIA: EoDB REFORMS & MEASURES



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PM Gati Shakti Masterplan

To inspire seamless multimodal connectivity, logistical efficiency and infrastructure development. Total outlay of ~USD 2.6 Bn for the financial year 2022-23



Production Linked Incentives (PLIs)

Launched PLI schemes in 14 sectors to attract investments & bring global competitiveness to domestic production and export viability.



National Infrastructure Pipeline (NIP)

Planned investments of USD 1.4 Tn (for 2019-2025) to develop infrastructure with 21% share of private investments.



Goods & Services Tax (GST)

Integrated multiple State & Central indirect taxes into *single* GST.



Corporate Tax

Reduced from 34% to 25%.



National IPR Policy

Amended patent rules to streamline application process & expedite granting of patents. Pendency in Trademark examination brought down to 1 month, among the fastest in world.

INDIA: EoDB REFORMS & MEASURES



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Labor Reforms

Merged 29 central labor laws into 4 codes providing flexibility in hiring and retrenchment.



Insolvency & Bankruptcy Code

(IBC): instituted time-bound resolution mechanism for reorganization procedure for corporate debtors to improve recovery rate.



Custom Bonded Warehouse

Allowed zero-rated import of inputs if final good is earmarked for export.



Empowered Group of Secretaries (E-GoS) on Investment

Constituted high-level mechanism, headed by the Cabinet Secretary, to promote investment friendly ecosystem and supervise the project development cells.



Project Development Cells (PDCs)

Established 29 PDCs in Ministries/Departments to build investment pipeline and improve domestic investment ecosystem

India Ranks #1 in following categories



Outsourcing Destination for IT-BPM



Production of BT Cotton, Cotton, Jute



Production of Spices, Pulses, Milk, Tea, Cashew, Mango & Banana



Supply of DPT, BCG and Measles vaccines



**Provider of Universal Health Insurance Scheme:
Ayushman Bharat (Largest in size)**

India Ranks #2 in following categories



Production of Polyester & Silk



Production of Mobile Phones



Production of Steel and consumer of Finished Steel



Production of Fruits & Vegetables



Production and consumption of Footwear

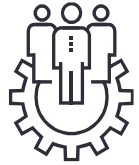


Number of US FDA approved Plants outside the US

INDIA IN A MINUTE



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USD 5 Mn worth
of GDP created



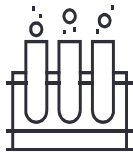
~USD 73 K*
FDI received



USD 1.65 Mn
merchandise &
services exported



900
people employed



COVID-19
vaccinations



20 Foreign tourists
arrived India



USD 1.3 Mn
worth of Digital
Payments



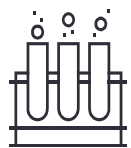
USD 5 Mn of
market Capitalisation created



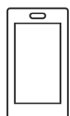
SECTORS IN A MINUTE



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Produced 609 Mobile Phones translating into **US\$ 54 K** worth of production



160 phones sold online



Exported US\$ 39 K worth of **Pharmaceuticals**



2,203 users subscribed to **Mobile Phone Connection**

>1,300 connected to the internet translating into **750 Social Media Users**



15 K passengers by **Railways** travelled



64 K **Digital Payments** processed



50 Vehicles produced, of which **9 Vehicles** exported



US\$ 72 K worth of merchandise on **E-commerce websites** sold, **3x increase** since 2015



SECTOR SPECIFIC OPPORTUNITIES



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RENEWABLE ENERGY



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POTENTIAL AND OPPORTUNITY

Solar	Wind	Hydrogen	Bio-fuels
Solar energy by 2030: 280 GW	Wind potential: 695 GW at 120 m level	Current hydrogen production: 6 MT	Biomass availability: 750 million MT
Capacity to be added every year: 25 GW	Target of wind energy by 2030: 30 GW	Expected hydrogen demand in 2050: 28 MT	Potential of biomass power/co-generation: 28 GW
Current solar installed capacity: 50 GW	Offshore Wind – 9 coastal state and 4 UTs 7600 kilometres of coastline	National Hydrogen Mission under review	Current deployment: 10 GW

Trends:

- All major players shifting towards green and sustainable energy sources, in line with domestic progression towards energy transition.
- Growing interest in emerging areas like green hydrogen technologies, offshore wind, and geo-thermal energy.

OPPORTUNITIES FOR FINNISH INDUSTRY



POTENTIAL AND OPPORTUNITY

Infrastructure

- *PM Gati Shakti Masterplan 22-23*
- – seamless multimodal connectivity, logistical efficiency and infrastructure development
- *National Infrastructure Pipeline (NIP)*
- - planned investments of USD 1.4 Tn to develop infrastructure with 21% share of private investments
- Opportunities in Government of India initiatives
- - Smart cities, Digital India, Make in India

Energy Transition & Climate Change

- Renewable energy
- Smart energy
- Hydrogen fuel
- Waste-to-energy
- Waste management
- Circular economy

Digitisation and emerging technologies

- AI
- 5G/6G
- Quantum technologies
- ICT

CONTACT

Raveesh Kumar
Ambassador of India to Finland
amb.helsinki@mea.gov.in

Commercial Wing
comm.helsinki@mea.gov.in



Website
www.indembhelsinki.gov.in

Twitter
[@Indembfinest](https://twitter.com/Indembfinest)

LinkedIn
Embassy of India, Helsinki

Facebook
India in Finland

Instagram
[@india_in_finland](https://www.instagram.com/india_in_finland)