

Doing Business in India - Unveiling Opportunities



- Presentation by:
- Embassy of India, Warsaw
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The vision of a New India: Reform, perform and transform

“We are not merely reforming India,
we are transforming India.
We are not merely changing India,
we are building a New India.”

*“A New India where there is equal
opportunity for all; where modern
science and technology play an important
role in bringing glory for the nation in
the global arena.”*

Narendra Modi,
Prime Minister of India



Why India?

- ✓ 1 billion+ market
- ✓ 52% of population between 14 to 35 years
- ✓ India's middle class to grow sharply over the next 40 years
- ✓ Well-defined FDI policy
- ✓ Guarantee of Rule of Law
- ✓ Simplified Tax Regime
- ✓ Mature Financial System
- ✓ Low import tariffs
- ✓ Skilled manpower
- ✓ Long-term demand
- ✓ Access to South Asia, Middle East & Africa

A 5-pillar strategy to drive India's growth: Multiple avenues of collaboration



**Infrastructure
development**



**Manufacturing
growth, Employment
creation and promoting
entrepreneurship**



Energy sufficiency



**Skill
development**



**Business
environment
improvement**

The fastest-growing large economy and a stable democratic regime



75 years of democracy: key achievements

- 100x rise in GDP; currently at **USD 3.5 Tn**
- 500x rise in total exports; highest ever exports of **USD 770 Bn** in 2022-23



Growth rate
~7% (FY22-23)



5th largest economy;
jumped **6 positions** since
2012



2nd largest working population
of **522 Mn** with median age of
~28 years



Annual FDI doubled in last 8 years
(launch of Make in India in 2014);
USD 35 Bn to USD 84 Bn in a decade



During the pandemic, India witnessed a **V-shaped recovery**; GDP contracted 24% in the first quarter of FY 2020-21 before bouncing back to **20%** in **1st quarter of FY 2021-22**

India: Leading in diverse sectors

#1



Attractive investment destination

#2



Smartphone market

#1



IT/BPM services sourcing market

#2



Largest startup ecosystem**

#1



E-commerce market growth

#1



Commercial vehicle market growth

#2



Food production

#1



Provider of generic drugs

#1



Choice for overseas R&D destinations*

#2



Largest road network

#1



Domestic air traffic growth

#2



Largest pharma & biotech talent pool

India by 2025

1.5B



Overall population

\$5T



GDP
(125% rise in per capita income)

900M



Internet users

110M



New housing demand*

480M



In 15-34 age group*

200k km



National highway
road network

~1.5B



Mobile connections*
(60% smartphone penetration)

100



Smart
cities*

\$4T



Consumer market

550M



Middle class
population

\$1.5-2T



Infrastructure
investment demand*

175GW



Renewable energy to be
generated*

Amrit Kaal - Vision 2047

100th year of India's Independence



Economy

2nd largest
~USD 32 Tn



Per capita income

To grow 10x to
~USD 20,000



GDP

Manufacturing GDP to grow 15x to ~USD 6 Tn;
Services GDP to grow 13x to ~USD 20 Tn



FDI

To grow 12x to
~USD 1Tn



Exports

To grow 12x to
~USD 8 Tn



Human capital

Largest and Youngest working
population across top economies globally

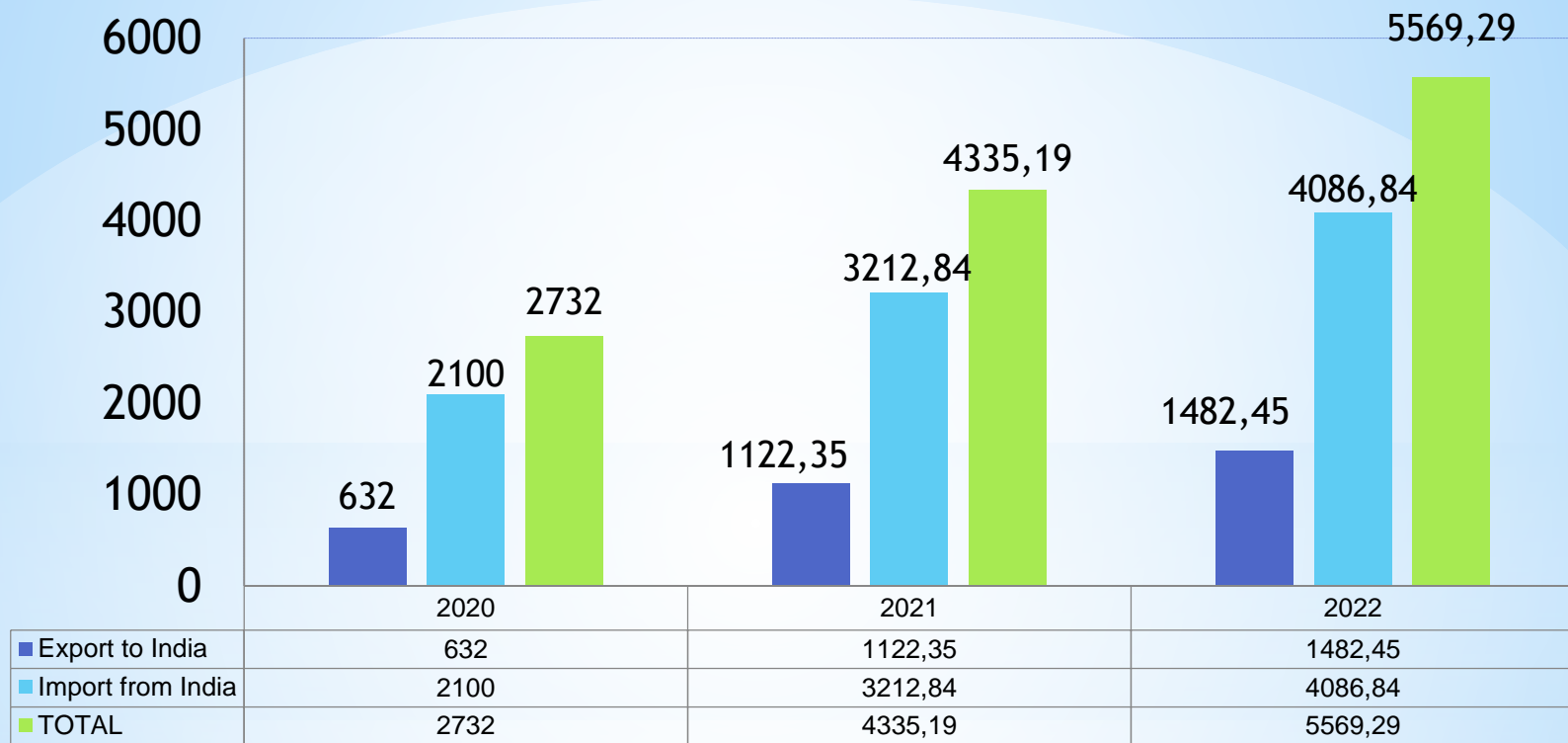


Indo-Polish Economic Relations

- ✓ India's largest trade & investment partner in the eastern & central European region.
- ✓ Over US\$ 3 billion investment by India / Polish investment of around US\$ 700 million.
- ✓ Bilateral trade of US\$5.56 billion(2022), more than 200% growth over a decade.
- ✓ Six province-to-province partnership agreements with emphasis on economic cooperation.
- ✓ Seven-days-a week **direct flight service** by LOT Polish Airlines (*adding to increased people-to-people contact and two-way tourism*)
- ✓ A thriving Indian community of over 30000.
- ✓ Poland is becoming an **attractive destination** for Indian students (*estimated to be around 15000*) and also for Indian Film Producers.

India-Poland bilateral trade

(USD million)



Top 10 items of Indian Export to Poland 2022

■ Electrical, electronic equipment

■ Iron and steel

■ Articles of apparel, knit or crocheted

■ Machinery, nuclear reactors, boilers

■ Articles of apparel, not knit or crocheted

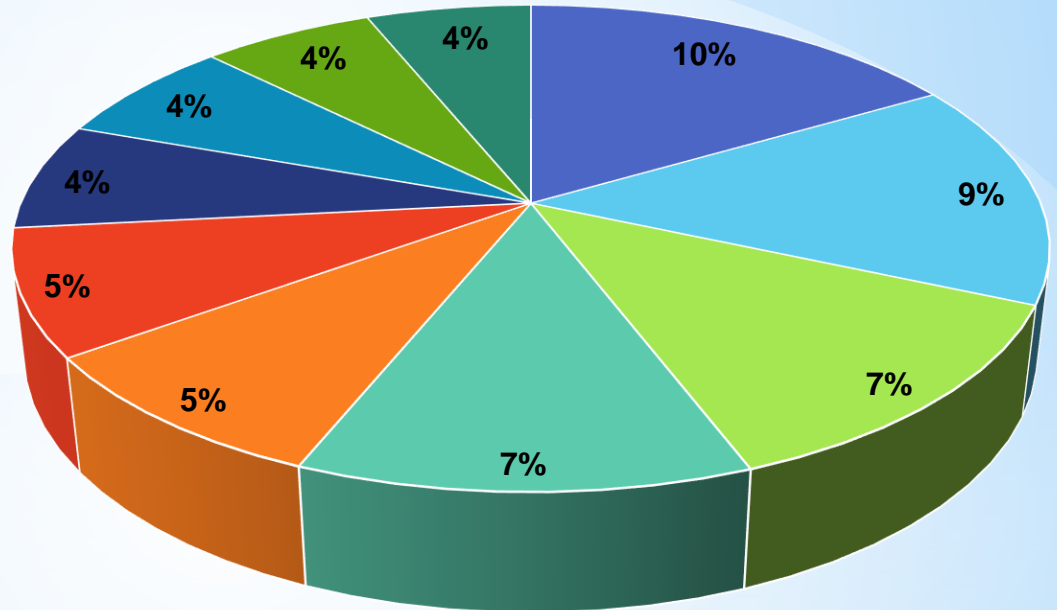
■ Organic chemicals

■ Plastics

■ Footwear, gaiters and the like,

■ Vehicles other than railway, tramway

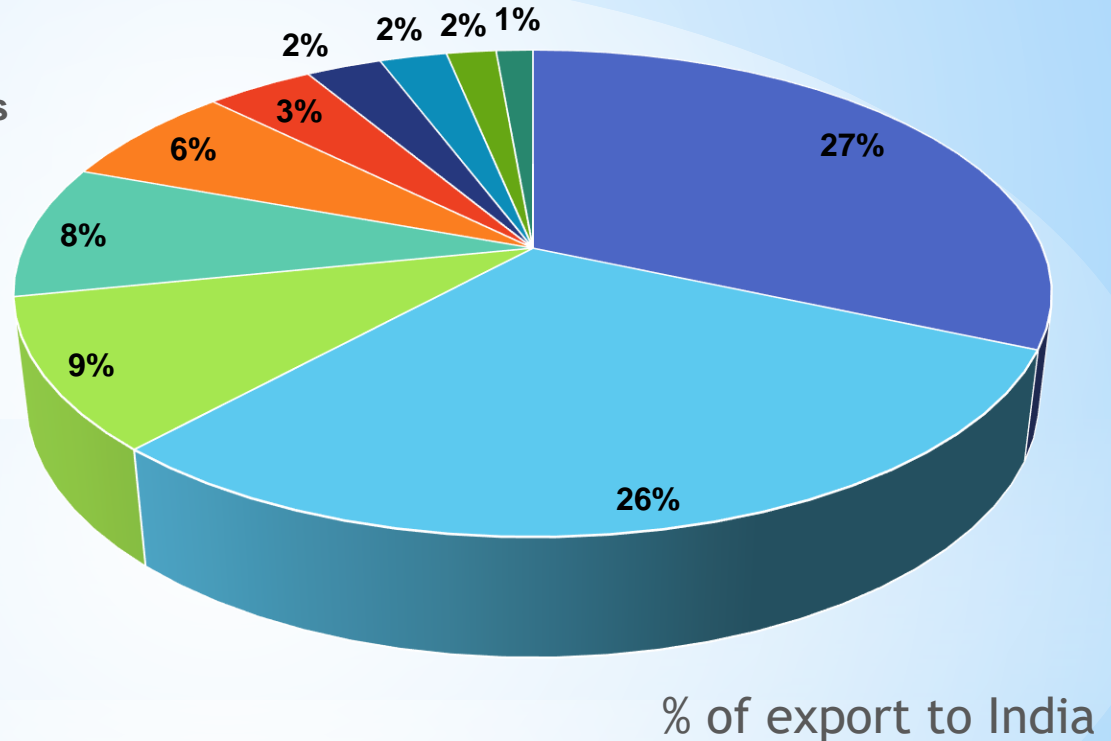
■ Articles of iron or steel



% of export to Poland

Top 10 items of Polish export to India 2022

- Mineral fuels, oils, distillation products
- Machinery, nuclear reactors, boilers
- Iron and steel
- Electrical, electronic equipment
- Rubbers
- Optical, photo, technical, medical apparatus
- Albuminoids, modified starches, glues, enzymes
- Plastics
- Vehicles other than railway, tramway
- Paper and paperboard, articles of pulp, paper and board



Doing Business in India: Multiple Entry Options

Liaison Office	Branch Office	Project Office
<p>A liaison or a representative office can be opened in India with approval of the Reserve Bank of India for</p> <ul style="list-style-type: none"> ✓ Representing parent/group companies in India. ✓ Promoting import/export in India ✓ Promoting technical/financial collaborations on parent company/group's behalf ✓ Coordinating communications between parent/group companies and Indian companies 	<p>Polish companies can conduct their business in India through branch office which can undertake following activities:</p> <ul style="list-style-type: none"> ✓ Import & export of goods ✓ Rendering professional or consultancy services ✓ Carrying out research work in area which its parent company is engaged ✓ Promoting technical/financial collaborations on behalf of parent company/ overseas group company ✓ Representing parent/group companies in India and acting as buying/selling agent in India ✓ Providing IT services and developing software in India ✓ Providing technical support for products supplied by parent company/group 	<p>If a Polish company is engaged by an Indian company to execute a project in India, it may set up a project office without obtaining approval from Reserve Bank of India. A project office is treated as an extension of foreign company and is taxed at the rate applicable to foreign companies.</p>

Indian Maritime Industry: Sailing towards Success

India is strategically located on the world's shipping routes with a coastline of approximately 7,517 km. As of 2021, India owns over 30% global market share in the ship breaking industry and is home to the largest ship-breaking facility in the world at Alang. To promote India's shipping and port industry, the government has also introduced various fiscal and non-fiscal incentives for enterprises that develop, maintain and operate ports, inland waterways and shipbuilding in India.

The Maritime India Vision 2030 has identified over 150 initiatives to boost the Indian maritime sector. The Vision 2030 was launched by Hon'ble Prime Minister of India in March 2021. It is drafted after significant consultation with over 350 public and private stakeholders comprising of ports, shipyards, inland waterways, trade bodies and associations, and legal experts. The vision serves as a blueprint to achieve an accelerated and coordinated development of India's diverse maritime sector, comprehensively identifying over 150 initiatives covering all facets of the country's maritime sector.

Snapshot of the Indian Maritime Industry



India is the 16th largest maritime country in the world



Indian Maritime Sector contributes to 95% of India's trade by volume and 70% by value



India is the 3rd largest globally in terms of ship recycling by tonnage

— FDI FACTS —

100%

FDI allowed in port and harbor's construction and maintenance



— FDI FACTS —

\$1.63 Bn

FDI inflows in Ports during April 2000 - June 2023



Options for Setting up a corporate entity

Wholly owned subsidiary	Joint Venture with Indian Partner	Foreign Institutional Investors
<p>Polish companies can set up wholly owned subsidiary companies in India in form of private companies subject to FDI guidelines. A wholly owned or a subsidiary company has the following flexibilities:</p> <ul style="list-style-type: none">✓ Funding can be done via equity, debt (foreign as well as local) and internal accruals✓ Indian transfer pricing regulations apply✓ Repatriation of dividends is allowed without approvals	<p>Polish companies can set up joint venture with Indian or foreign companies in India. There are no separate laws for joint ventures in India and laws governing domestic companies apply equally to joint ventures.</p>	<p>FII's can invest in India in financial markets such as pension funds, mutual funds, investment trusts and asset management companies or their power of attorney holders. FII's can invest in all securities in primary and secondary markets including the equity and other instruments of companies which are listed or are to be listed on stock exchanges of India.</p>

Sector Specific Organizations:

For locating potential business partners in India

Export Promotion Councils	Boards
<ul style="list-style-type: none">✓ Agricultural & Processed Food Products Export Development Authority (APEDA)✓ Apparel Export Promotion Council✓ Cotton Textiles Export Promotion Council✓ Council for Leather Exports✓ Export Promotion Council for Handicrafts✓ Pharmaceuticals Exports Promotion Council✓ Plastics Export Promotion Council✓ Indian Silk Export Promotion Council✓ Gem & Jewellery Export Promotion Council✓ Engineering Export Promotion Council✓ Marine Products Export Development Authority	<ul style="list-style-type: none">❖ Tea Board❖ Coffee Board❖ Rubber Board❖ Coconut Development Board❖ Coir Board❖ Spices Board❖ Tobacco Board



Success stories



Useful contacts



www.investindia.gov.in



www.ficci.in



www.cii.in



www.indianembassywarsaw.gov.in

How the Indian Embassy can help

- Introduction/Facilitation with Nodal Central Government & Provincial Investment Agencies
- Background information/verification on Indian Partner Company
- Sector specific -local laws and regulations
- Requirement specific Business & Employment Visas
- Any obstacle/hurdle in India - facilitation/resolution

Thank you for your attention!



For queries please contact the Commercial Wing of the Embassy of India in Warsaw:

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