



Embassy of India, Berlin
Economic & Commercial Newsletter
January 2022

INVEST INDIA.GOV.IN

DIE DIGITALE REVOLUTION VON NEW INDIA

25GB/Monat

Pro-Kopf-
Datenverbrauch
bis 2025*



INVEST INDIA.GOV.IN

DIE INDISCHE LEDERINDUSTRIE: SCHREITET VORAN!

~25%

Anteil der Lederwaren & Lederzubehör an den Lederexporten (April 2020-Februar 2021)



INVEST INDIA.GOV.IN

NEW INDIA EIN GLOBALES FINTECH-ZENTRUM!

3.
größtes Ökosystem weltweit

+8 Milliarden USD
Investitionen im
Sektor 2021



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New Indias Schnellstraße zum Erfolg!

12.205 km
Nationaler Autobahnbau
im GJ 202

742
im Rahmen von PPP*
vergebene Projekte



Inside this issue:

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India's smartphone market logs \$38bn revenue, 11% shipment growth in 2021
IBEF: February 01, 2022

According to Counterpoint Research, India's smartphone shipments increased 11% year over year to 169 million units, with market revenue exceeding USD 38 billion in 2021. India's smartphone market revenue would surpass USD 38 billion in 2021, representing a 27% YoY increase. Despite an 8% YoY dip in the December quarter data due to supply challenges afflicting the smartphone manufacturing ecosystem, shipments rose 11% YoY in 2021 to reach 169 million devices.

The Production Linked Incentive scheme has been a great booster for the Indian mobile manufacturing ecosystem, attracting top players like Apple and Samsung to increase their Make in India' footprint and make India their export hub. Therefore, handset exports saw 26 per cent y-o-y growth in 2021. Following the success of the PLI programme in the mobile manufacturing ecosystem, the government has introduced similar schemes for other product verticals such as CIOT and IT hardware.



115 companies seek PLI benefits in auto sector
IBEF: January 12, 2022

According to the Heavy Industries Ministry, 115 companies have applied for benefits under the production-linked-incentive (PLI) plan for the vehicle and auto component sector. The scheme, which has a budgetary investment of US\$ 3.5 billion, intends to increase the domestic production of these products. Last September 23, the scheme was announced.

From April 2022 onwards, incentives would be available under the scheme for specific sales of advanced automotive technology items (vehicles and components) manufactured in India over a five-year period. There are two parts to the PLI programme: the Champion OEM Incentive Scheme and the Component Champion Incentive Scheme.



Textile sector exports increase by 41% in April-December 2021 as compared to last year

[Press Information Bureau](#): January 13, 2022

The textile industry has consistently maintained a trade surplus, with exports far outnumbering imports. Textile exports slowed in FY 2020-21 due to the pandemic that disrupted the supply chain and demand.

However, hints of improvement can be seen in 2021-22. Textiles and apparel, including handicrafts, exports totalled US\$ 29.8 billion from April to December 2021, up from US\$ 21.2 billion in the same period last year. This translates to a robust 41% increase over previous year. Growth indicates that the economy is on the mend.

Even in comparison to the pre-pandemic year, 2019-20, textile sector exports (Textiles & Apparel including Handicrafts) climbed by 14.6% from April to December 2021 as compared to April to December 2019. Textiles saw a 31% increase in exports, Cotton Yarn/Fabrics/Made-ups, Handloom items, etc. saw a 43% increase, and Jute products saw a 33% increase from April to December 2021, compared to April to December 2019.



India emerges as largest exporters of cucumber, gherkins in the world

[IBEF](#): January 24, 2022

India has become the world's top exporter of gherkins. During the months of April to October, India exported 1,23,846 metric tonnes of cucumber and gherkins for US\$ 114 million (2020-21).

In the previous fiscal year, India's agricultural processed product exports of pickled cucumber, often known as gherkins or cornichons, surpassed US\$ 200 million. India exported 2,23,515 metric tonnes of cucumber and gherkins worth US\$ 223 million in 2020-21.

The Agricultural and Processed Food Products Export Development Authority (APEDA) implemented a series of initiatives in infrastructure development, product promotion in the global market, and adherence to the food safety management system in processing units.



Google to invest up to \$1 billion in Airtel; to co-create India-specific 5G use cases

IBEF: January 31, 2022

Airtel and Google have agreed to a long-term, multi-year partnership to help India's digital ecosystem grow faster. Google plans to contribute up to \$1 billion as part of its Google for India Digitization Fund, which comprises both equity and a corpus for prospective commercial deals to be identified and settled on mutually agreeable terms over the next five years.

The investment involves a \$700 million equity stake in Bharti Airtel, valued at Rs. 734 per share. Up to \$300 million would be used to implement commercial agreements, including investments in scaling Airtel's products, which include innovative affordability initiatives for customers as well as other offerings aimed at driving access and digital inclusion across India's digital ecosystem.

TCS world's second most valuable IT brand, Infosys fastest growing: Report

IBEF: January 27, 2022

According to Brand Finance, Tata Consultancy Services (TCS) has become the world's second most valuable brand in the information technology (IT) services sector. According to the brand valuation consultancy's newest Global 500 IT Services Ranking study, Infosys has emerged as the fastest growing IT services brand, with a 52% increase in brand value since last year and an 80% increase since 2020 to US\$ 12.8 billion, putting it in third place.

TCS and Infosys have moved IBM from second to fourth place. Apart from TCS and Infosys, four more Indian firms are listed among the top 25 IT services brands: Wipro (7th), HCL (8th), Tech Mahindra (15th), and L&T Infotech (22nd).

India IT spending to grow at 5.5% in 2022: Gartner

IBEF: January 25, 2022

According to Gartner, IT investment in India is expected to reach US\$ 105.2 billion in 2022, up 5.5% YoY. In 2022, global IT investment is expected to reach US\$ 4.5 trillion, up 5.1% from 2021. Despite the potential effects of the Omicron variant, it was emphasised that the economic recovery, coupled with high expectations for digital market success, will continue to drive technological investments.

In 2022, the IT services market, which includes consultancy and managed services, is predicted to increase at the second-fastest rate, reaching US\$ 1.3 trillion, up 7.9% from 2021. In 2022, spending on business and technology consulting is predicted to increase by 10%.

Electric vehicles sales in India to touch 10 lakh units this year: SMEV

IBEF: January 07, 2022

The Society of Manufacturers of Electric Vehicles (SMEV) said on Thursday that total electric vehicle sales in India are likely to reach around 10 lakh units this year, about equal to what was sold in the previous 15 years, owing to the high traction seen by electric two-wheelers. SMEV claimed in a statement that sales of electric two-wheelers (E2Ws) in the country more than doubled in 2021 to 2,33,971 units, driven by a robust traction of high-speed scooters, compared to 1,00,736 units in 2021.

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NEW INDIA
Übergang in eine
grüne Zukunft!

MEHR ALS 141 GW
Installierte ER-Kapazität
(Stand 16. Juli 2021)



Equity infusion of US\$ 2 billion in Indian Renewable Energy Development Agency Limited (IREDA)

Press Information Bureau: January 20, 2022

Government of India (GoI) has approved US\$ 201.6 million equity investment in Indian Renewable Energy Development Agency Limited (IREDA). This equity infusion will contribute to the creation of roughly 10200 jobs per year and the reduction of approximately 7.49 million tonnes of CO2 equivalent emissions per year. This equity infusion will enable IREDA to:

- To lend roughly US\$ 1.612 billion to the RE industry, hence easing the debt requirement of RE for increased capacity of approximately 3500-4000 MW.
- To increase its net value, which will assist it in obtaining greater RE finance and so contribute more to the Government of India's RE targets.
- To enhance lending and borrowing activities, the capital-to-risk-weighted-assets ratio (CRAR) must be improved.

GoI approves US\$ 1.61 billion Green Corridors-II for RE uptake in states

IBEF: January 07, 2022

Government of India (GoI) approved the second phase of the Green Energy Corridor (GEC) on Thursday in order to accelerate the penetration of renewable energy in the states. The projects under this phase would be set up in seven states to help with renewable energy transmission.

The Green Energy Corridor (GEC) is a transmission infrastructure for renewable energy (RE) power projects. The state-owned Power Grid Corporation of India (PGCIL) built inter-state transmission projects during the first phase of the Green Energy Corridor (GEC), while some projects were awarded to private entities through competitive bidding.

The second phase will add about 10,750 circuit kilometres (ckm) of transmission lines and roughly 27,500 Mega Volt-Amperes (MVA) of substation transformation capability. The current phase is expected to cost US\$ 1.61 billion, with a Central Financial Assistance (CFA) of US\$ 533.5 million covering 33% of the project cost.

While the first two phases were intended at transmitting 175 Gw of renewable energy, the next two phases will be aimed at realising 450 Gw of renewable energy this decade. Projects in this phase will strive to improve state grids' power transmission capacity.

According to the Centre, the scheme will facilitate grid integration and power evacuation of about 20 GW of Renewable Energy (RE) power projects in seven states, namely Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu, and Uttar Pradesh.

Indian startups raised US\$ 42 bn in 2021, up from US\$11.5 bn in 2020

IBEF: January 14, 2022

According to a research by Orios Venture Partners, Indian entrepreneurs raised US\$ 42 billion in 2021, up from US\$ 11.5 billion the previous year. According to the 'The Indian Tech Unicorn Report 2021,' India will have 46 unicorns (businesses valued at US\$ 1 billion or more) in 2021, more than doubling the overall number to 90. ShareChat, Cred, Meesho, Nazara, Moglix, MPL, Grofers (now Blinkit), upGrad, Mamaearth, GlobalBees, Acko, Spinny, and other services are among them. With 90 unicorns, India is the third-largest unicorn hub after the United States (487) and China (301). With around 60,000 startups.

LEAD becomes first edtech unicorn of 2022, raises \$100 mn in Series E round

IBEF: January 14, 2022

LEAD, a Mumbai-based edtech startup, is the first to join the unicorn club this year. At a valuation of US\$ 1.1 billion, the edtech start-up has raised US\$ 100 million in Series E funding. Westbridge Capital led the round, with GSV Ventures also participating.

Unlike most other edtech start-ups, the company claims to focus on improving a student's classroom education experience rather than functioning as a supplement to schooling. LEAD expects to reach 2 million students in Academic Year 22-23, with 5,000 schools in more than 500 cities across India and an annual revenue run-rate of US\$ 80 million. The proceeds will be used to help the company realise its mission of providing high-quality, affordable education to more than 25 million students at a US\$ 1 billion annual revenue run-rate.

Union IT Ministry releases roadmap for electronics sector

By NewsExpress, January 25, 2022

Union IT Ministry, in association with ICEA, released a 5-year roadmap and Vision Document for the electronics sector, titled “\$300 bn Sustainable Electronics Manufacturing & Exports by 2026.”

This roadmap is the second volume of a two-part Vision Document – the first of which titled “Increasing India’s Electronics Exports and Share in GVCs” was released in November 2021.

This report provides a year-wise break-up and production projections for the various products that will lead India’s transformation into a US\$300 billion electronics manufacturing powerhouse, from the current US\$75 billion.

Amongst the key products that are expected to lead India’s growth in electronics manufacturing include Mobile Phones, IT Hardware (laptops, tablets), Consumer electronics (TV and audio), Industrial electronics, Auto electronics, Electronic components, LED Lighting, Strategic electronics, PCBA, Wearables and hearables, and Telecom equipment (see chart).

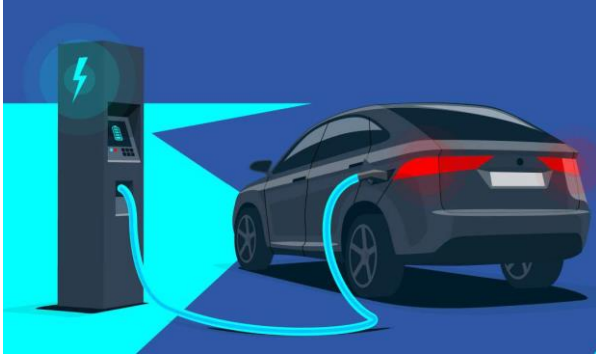
Mobile manufacturing that is expected to cross US\$100 billion annual production – up from the current US\$30 billion – is expected to constitute nearly 40% of this ambitious growth.

The five-part strategy to reach the US\$300 billion goal, based on an “all of the government” approach, sharply focuses on broadening and deepening electronics manufacturing in India.

For full report, please see [here](#).

State-wise Electric vehicles Policies and Incentives

[Invest India](#) Dec 28,2021



In March 2019, the Government of India (GoI) launched the National Mission on “Transformative Mobility and Energy Storage” committed to develop a complete ecosystem domestically around Electric Vehicles, including manufacturing of batteries and all other components to make Electric Vehicle and Energy Storage Solutions sector competitive in the near term.

The electric vehicle industry consumed over 5 GWh of batteries in 2018 in India. This number is likely to be well over 36 GWh by 2025. During 2020-2027 period, the EV sector is estimated to consume about 250 GWh of batteries. In this decade alone, there has been tremendous innovation in EV Technology which has led to a decrease in battery costs and increase in performance and range. This progress can be expected to continue at an accelerated pace. Within the next decade, there is a clear possibility of cost reduction in electric mobility through advancements.

In May 2021, GoI launched Production Linked Incentive (PLI) Scheme 'National Programme on Advanced Chemistry Cell (ACC) Battery Storage' for achieving manufacturing capacity of 50 Giga Watt Hour (GWh) of ACC and 5 GWh of "Niche" ACC with an outlay of US\$ 24.25 billion.

Advance Chemistry Cells (ACCs) are the new generation advance energy storage technologies that can store electric energy either as electrochemical or as chemical energy and convert it back to electric energy as and when required.

Through this Scheme, GoI intends to optimally incentivize potential investors, both domestic and overseas, to set-up Giga-scale ACC manufacturing facilities with emphasis on maximum value addition and quality output and achieving pre-committed capacity level within a pre-defined time-period.

To drive EV adoption, OEM & the state & central govt are working together towards an integrated policy, creating a conducive ecosystem for India's electric mobility vision. State-specific policies related to EVs could be a shot in the arm for the battery-powered mobility movement in India. 15+ states have come up their EV policies. State policies include incentives such as subsidies on capital investment that could be fixed asset as well as land. They also include several demand side incentives such as parking zones road tax exemption and incentives in relation to tax. States have also come up with special EV zones, Establishment of venture capital and business incubation service to encourage EV start-ups.

To get a snapshot of State Policies and incentives offered to promote the Electric Mobility in their respective states, please see the detailed document [here](#).



India Business Spend Indicator
Invest India Jan 20, 2022

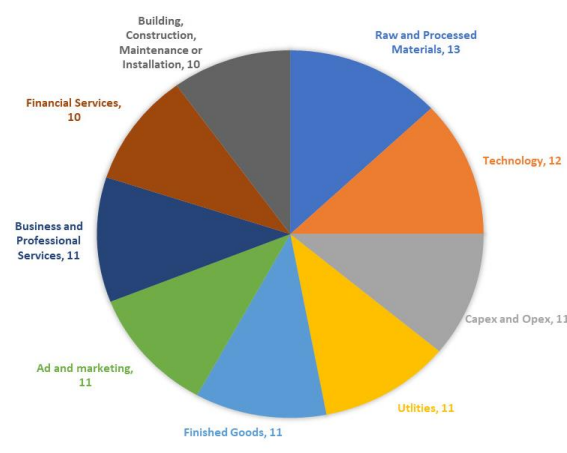


How do you spot an economic revival? Anecdotally, the most common response, perhaps, would be that the evidence of a rebound can be seen in the nearest mall or the shopping arcade. A big part of the turnaround is also attributable to rising business confidence that has triggered greater spending among businesses to meet the growing demand for their goods and services, a pattern that also seems to be corroborated by the latest edition of the India Business Spend Indicator (IBSI) report.

IBSI is a key determinant of business spending in India and globally through its parent Global Business Spend Indicator (GBSI), which was deployed for six other major markets apart from India, including the US, UK, Mexico, Canada, Australia, and Japan. In the Indian context, the IBSI also shows what businesses are spending on, how are they paying their vendors, and the main factors influencing the broader business climate in India. The IBSI is important because it tracks B2B spending, a crucial element of the economy and businesses across all major sectors. By bringing out business spending on goods and services in the economy, the spending indicators speak of major economic

determinants of a nation namely, employment, business health, profitability, and the returns a county offers to its investors.

In the context of the global coronavirus pandemic, its wide-ranging economic impact has been felt across the world with the Delta variant driving the most COVID-19 cases, especially in India in the first half of 2021. However, by October 2021, most of this surge in infections was brought under control in India with a decline in the share of the population getting affected by the coronavirus at around 0.1-0.2 per cent. The plateauing of COVID-19 cases also meant accelerated economic recovery for India. By Q2 2021, the country had recovered considerably to 10 percent GDP contraction of pre-pandemic levels of output before being hit by the second wave of the pandemic. On the back of sustained economic recovery, India is forecasted to see the fastest growth in 2022 out of the seven countries analysed. This report covers India's growth through the spending its businesses made and are forecasted to make by covering key industries and sectors and drawing research-based analysis of not just these spending trends but also the country's digital trajectory towards revolutionizing its business environment. For more details, please see [here](#).



Ambassador's engagements

Ambassador meeting with Ms Hildegard Müller, President of the German Association of the Automotive Industry (VDMA) to deepen cooperation between the India - Germany automotive industries.



Ambassador meeting with Mr Jochen Flasbarth, State Secretary, BMZ to discuss ambitious development cooperation agenda between India & Germany, and development & climate challenges globally.



Ambassador meeting with Mr. Nils Schmid, member of the German Bundestag on issues of mutual interest and ways to strengthen the India-Germany Strategic Partnership and parliamentary cooperation. Look forward to working together to further intensify our strong engagement.



Ambassador discussion with members of Confederation of Indian Industries (CII) in Germany on strengthening Indo-German economic engagement including in sustainability, green hydrogen and digitalization.



Ambassador's meeting with Mr. Andreas Bausewein, Lord Mayor of Erfurt, for discussing multiple areas of cooperation between the both sides and intensifying India's relations with Erfurt and Thuringia.



Ambassador meeting Mr. Markus Ferber, MEP & President, Hanns-Seidel-Stiftung for advancing India Germany ties in trade, technology & investment, financing mechanisms for COP 26 commitments, countering terrorism, resilient supply chains & Indo-Pacific.



Ambassador meeting with Ms. Ilse Aigner, President of Bayerischer Landtag to discuss India-Germany strategic partnership based on common democratic values, strengthening relations with Bavaria especially in technology & energy policies to meet COP-26 commitments.



Ambassador meeting with Dr. Joachim Wenning, Chairman Munich Re Group, focusing on ease of doing business in India, and investment opportunities in infrastructure sector.



Ambassador meeting with Minister President of Bayern, Dr Markus Söder to elevate the relationship with Bayern in Hi-Tech, digitisation, green partnerships, green hydrogen, space, S&T, trade and investments.



Ambassador meeting with Minister President of Thuringia Mr Bodo Ramelow for intensifying the close partnership between India and Thuringia.



Ambassador meeting with Dr. Reinhard Ploss, CEO, Infineon for discussing semiconductor manufacturing and digitization initiatives in India.



Ambassador meeting Mr. Hans J. Steininger, CEO, MT Aerospace to enhance India Germany cooperation in the space sector and to enable innovation.



Ambassador meeting with Minister for Economy, Science and Digital Society of Thuringia Mr. Wolfgang Tiefensee to discuss economic situation in India and Thuringia, and opportunities for further expansion of trade and higher-education relations.



Ambassador meeting with Members of the European Parliament Ms. Angelika Niebler, Minister Mr. Florian Herrmann, and Member of the German Bundestag Mr. Bernhard Loos for exchanging views on India-Germany strategic cooperation, Indo Pacific and green partnerships.



Upcoming Events



India International Ceramic & Building Material Fair (IICBMF): Chemicals and Allied Products Export Promotion Council (CAPEXIL) is organizing a virtual and International fair cum B2B meet, IICBMF from 8th to 11th March, 2022. For more details [click here](#).



India Carpet Expo: Carpet Export Promotion Council (CEPC) is organizing India Carpet Expo from 25th to 28th March, 2022 in NSIC Exhibition Complex, Okhla, New Delhi. For more details [click here](#).

53rd Edition
IHGF DELHI FAIR

IHGF Delhi Fair: Export Promotion Council for Handicrafts (EPCH) is organizing 53rd edition of IHGF Delhi Fair from 30th March to 3rd April, 2022 at India Expo Centre & Mart, Greater Noida, Delhi NCR. For more details [click here](#).



AAHAR - The International Food and Hospitality Fair: India Trade Promotion Organisation (ITPO) is organizing 36th edition of a flagship B2B event, "AAHAR - The International Food and Hospitality Fair" at New Delhi from 26th to 30th April, 2022. For more details [click here](#).



INDIASOFT 2022: Electronics & Computer Software Export Promotion Council (EPC) is organizing INDIASOFT 2022 an International IT Exhibition & Conference Connecting Technology Businesses Globally in New Delhi from 23rd & 24th March, 2022. For more details [click here](#).



MAKE IN INDIA MITTELSTAND!

Make In India Mittelstand (MIIM) ist ein Wirtschaftsförderungsprogramm der Indischen Botschaft Berlin, das seit 2015 den Markteintritt deutscher Mittelständler in Indien unterstützt. MIIM unterstützt derzeit 135 mittelständische Unternehmen mit über 1,12 Mrd. Euro an getätigten/angemeldeten Investitionen.

KOSTENLOSE DIENSTLEISTUNGEN

Workshops/Webinars
Kundenspezifische
Workshops



Networking-Plattform
Abfragenbehandlung

WICHTIGE
UNTERSTÜTZUNGSBEREICHE

Standortanalyse
Partnersuche
Markteintrittsfinanzierung



Markteinschätzung
Machbarkeitsstudien
Steuerliche
Dienstleistungen

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अतुल्य भारत
Incredible India