



MOVING TOWARDS
A \$10 TRILLION ECONOMY
INDIA 2030

SARC
ASSOCIATES

Written and compiled by Sunil Kumar Gupta



The Rt. Hon'ble
Baroness (Dr.)
Sandip Verma

Chairman - European Union
Committee & EU External Affairs
Sub-Committee
House of Lords, London SW1A
OPW
Tel: 0207 219 5216
Email: vermas@parliament.uk

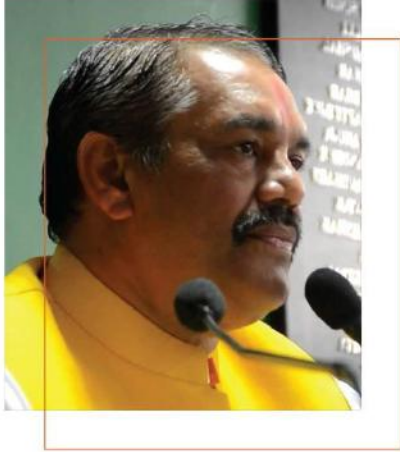
Indian economy is on a growth trajectory. It is one of the fastest growing economies in the world. With the passage of time, it is now considered to be one of the most attractive destinations for investment and for doing business. The Indian Government has undertaken many reforms and policies to achieve its ambitious aim of becoming a \$10 trillion economy by 2030.

This research report written & compiled by Mr. Sunil Kumar Gupta, Leader India, IEBF and Chairman, SARC Associates has wonderfully showcased the initiatives implemented by the Government of India. The report highlights the key sectors like Information Technology, Entrepreneurship, Infrastructure, Education, Energy and MSME as the main pillars of the Indian Economy.

Each of these sectors have had a rather positive impact on the Indian economy. With major sectors being permitted to 100% Foreign Direct Investments through the automatic route, there has been an upsurge in FDI inflows in the country since the launch of various schemes like Make in India and Invest India. Huge investment deals have been made in the past couple of years and this is a step ahead for a country like India which was bogged down by the pressures of licenses and permits.

Skill Development has also been one of the major focus areas, mainly because educating and training the young and aspiring minds will not only lead to job creation but is also a big step in the process of nation building. This is definitely the best time to Make in India.

I applaud the commendable effort put down by Mr Gupta in representing India as an engine for growth. I also congratulate him on the launch of the updated edition (2018-19) of his book 'Make in India'. He is a great visionary and I am sure his dedicated efforts will enlighten people worldwide, thereby putting India in the spotlight. My good wishes are always with him.



Vijay Sampla

Minister of State for Social Justice and Empowerment, Government of India

In the wake of new policies and reforms that have been undertaken by the Government, India is well on its way to becoming a global superpower by the next decade. India is the world's fastest growing major economy and is well poised to become a \$10 trillion economy by 2030.

India has emerged as an attractive destination for doing business with plethora of investment opportunities. There is a growing wave of digitisation in the country coupled with a resilient startup ecosystem. This has further provided a thrust to the Indian economy.

India is projected to have the youngest population by 2020. Motivating and educating these young and creative minds is the need of the hour. Mr. Sunil Kumar Gupta, Leader India, IEBF and Chairman, SARC Associates has made dedicated efforts towards this by encouraging the youth to take up their own ventures. He has appeared as a business and economic expert on various platforms with the objective of sharing his knowledge and enlightening the aspiring minds to channelise their dreams into reality. This will not only generate employment opportunities but also provide an impetus to the development of the economy as a whole.

The research report 'Moving towards a \$10 trillion economy: India 2030', written & compiled by Mr. Sunil Kumar Gupta, gives the reader a comprehensive insight into the Indian economy and the gradual progress made by the leading sectors. It clearly brings out the contribution made by each sector towards making a New India.

I also congratulate Mr. Gupta for bringing out the updated edition (2018-19) of the 'Make in India' book and appreciate his efforts in writing & compiling this successful report. It is sure to enrich the world about India and the opportunities it has to offer. It is a clear indication of the magnitude of impact it is to have on the global economy in the coming years.

My gratitude to Mr. Sunil Kumar Gupta for his contributions and best wishes for all his future endeavours.



Vijay Goel

Chairman of Assocham UK
Founder, IEBF
Past Chairman of London Chamber
of Commerce ABA

India is universally regarded as the next global economic powerhouse. With improvement in World Bank's Ease of Doing Business rankings the attractive sectors have generated vast opportunities for companies already active in India or considering new ventures. The growth trajectory has been possible by the concerted actions on several fronts like infrastructure, renewable energy, information technology, real estate, etc. Hence, it will be justified to say that it is indeed a new dawn for India.

The report- 'Moving towards a \$ 10 trillion economy: India 2030' focuses on these key sectors that are projected to lead India towards becoming a world leader. Continued and dedicated efforts have been made by both public and private sector to build the India of our dreams. The revival of the Indian manufacturing sector owing to implementation of the Make in India initiative of the government has created opportunities for domestic and global players. One of the major beneficiaries has been the Micro, Small and Medium Enterprises. It is very heartening to see the sector growing rapidly and creating a vibrant and wholesome market. In addition, the e-commerce sector has also witnessed a major boom caused by the increasing wave of digitisation in the country.

All these efforts are sure to bear fruits for India in the long run. We are already witnessing an upsurge in FDI inflows which has positively impacted the GDP of the country. If all sectors work in unison and this momentum can be maintained, India can very well achieve its target of becoming a \$10 trillion economy by 2030.

I congratulate Mr. Sunil Kumar Gupta, Leader India, IEBF and Chairman, SARC Associates for writing & compiling this report and also for launching the updated edition (2018-19) of the 'Make in India' book. These will aid in making people aware of the power and strength that India possess to compete on the global platform.

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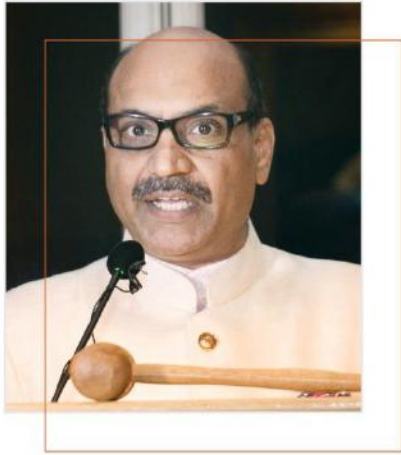
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Sunil Kumar Gupta,

Leader- India, IEBF

Sunil Kumar Gupta is an entrepreneur par excellence, a philanthropist and a great visionary. He is the leader of Indo European Business Forum (IEBF), India; the Founder Chairman of SARC & Associates, Chartered Accountants and SARC Foundation; Life Trustee of Rashtriya Antyodaya Sangh, a Public Charitable Trust; Life Member of Delhi & District Cricket Association (DDCA) and National Sports Club of India (NSCI); Advisory Board Member at Raj Luxmi Samvid Gurukulam- Nalagarh, Himachal Pradesh; and a Member of Associated Chamber of Commerce and Industry of India (ASSOCHAM). He is also a Fellow Member of the Institute of Chartered Accountants of India (ICAI); Fellow Member of the Indian Council of Arbitration; Full Member of the Institute of Certified Public Accountants of Uganda (CPA-U). Furthermore, he holds a Certificate in International Taxation from Wien University, Vienna, Austria; and a Post Qualification Diploma in Information Systems Audit from the Institute of Chartered Accountants of India. He has over 32 years of experience in diverse fields such as statutory and internal assurance services, corporate planning, finance, taxation, banking, education, investments, oil & gas and project implementations.

Sunil Kumar Gupta served as the Non-Executive Chairman of National Co-operative Bank Limited,

About the Author

New Delhi for a period of seven years (2000-2007). During his tenure the bank was awarded as the 'Best Co-operative Bank', in the year 2006, by the then Chief Minister of Government of Delhi.

Mr. Gupta acknowledges the concept of entrepreneurship as the strongest pillar of an empowered economy. He appeared in two highly recognized and much appreciated business shows, namely, 'Business Inside' on DD National (Doordarshan) and 'Big Business Ideas' on Zee Business in the year 2017. The shows were centered on educating the youth about the schemes/initiatives of the government as a step towards nation building with focus on the MSME sector, Make in India, Skill India, Start-Up India, Stand-Up India, Mudra Yojana along with Credit Guarantee Fund and many more. The shows garnered more than eight crore viewership during the 104 weeks of telecast and were among the highest TRP rated shows.

As recognition of his business acumen, his analytical and policymaking skills, Mr Gupta has been a part of several international delegations. He accompanied the Honorable Former President of India Ms Pratibha Devi Singh Patil in the business delegations to Seychelles and South Africa to discuss bilateral issues between the two nations. He was also a part of the 21 member delegation from Institute of Chartered Accountant of India to Vienna, Austria in 2011.

In keeping with the spirit of dissemination, Mr Gupta has also authored many books to share the knowledge acquired through his experience, namely, Windows to Success- An Insight into MSME sector and North-East- The Land of Rising Opportunities. He is also the co-author of books such as BIG: Business India Guru and Business Economic I and II.

Sunil Kumar Gupta can be reached at sunil@sarcmail.in ; www.sunilkumargupta.com ; www.sarcassociates.com



About **SARC Associates**

SARC Associates is one of the leading professional services organisations established in the mid-eighties, under the aegis of Sunil Kumar Gupta, having its corporate office in New Delhi and offices across the country with footprints in London. SARC is manned by 17 consulting partners and more than 300 professionals. The professional culture at SARC is crafted to bring the best out of our people, addressing the most complex challenges and thereby driving the vision of our partnered Businesses and Communities.

SARC's overall approach is driven by the objective of providing operational excellence while sharing values and working in partnership with our esteemed clients. We develop leaders who get together to solve the most diverse problems and deliver premium services to all our stakeholders while maintaining at all times the highest professional standards of independence, integrity, ethics and objectivity.

We understand diverse industries, disruptive innovations and emerging sectors. Our professional network is equipped to deliver the committed professional services irrespective of the Industry you belong to. At SARC, We duly appreciate the dynamics involved right from the inception of your Business to being the industry leader and keeping this in mind we run several service lines to stand with you throughout the life of your business.



About **IEBF**

Established in 2007, IEBF is an independent and impartial body actively promoting two-way flow of trade and investment between India and the EU member countries. It is a non-profit, privately funded, non-governmental organization. Its aim is to encourage, nurture and promote bilateral business, mutual understanding and friendly relationship between industrial, service, and business communities of India and Europe. IEBF has taken a big step forward in the direction of achieving its mission by opening a chapter in India. The India chapter would further synergize the efforts of the UK office in order to take its activities to even greater heights.

Indo European Business forum is an open forum comprising like-minded people who believe that “India can offer strong and sustained business opportunities for European Union countries”. IEBF members comprise leading business personalities and professionals, from both India and EU, having excellence in the field of business, finance, real estate, and art, to name a few. Our advisory board consists of people who are determined to create a progressive world.

Introduction

“New technologies and approaches are merging the physical, digital, and biological worlds in ways that will fundamentally transform humankind. The extent to which that transformation is positive will depend on how we navigate the risks and opportunities that arise along the way.”

~Klaus Martin Schwab,
Founder and Executive Chairman
of the World Economic Forum

Having embarked on a strong reform agenda to improve the business environment, the significant jump this year is a result of the Indian government's consistent efforts over the past few years. It indicates India's endeavour to further strengthen its position as a preferred place to do business globally.”

~Annette Dixon,
Vice President, South Asia region,
World Bank

India is at the cusp of a global economic revolution, being one of the fastest growing economies in the world with an average growth rate of about 7%. The projections made by the International Monetary Fund (IMF) state that India is likely to grow consistently at higher rates and continue its economic upswing till 2020.

The updated figures released by the World Bank for the year 2017 places India as the sixth largest economy of the world, surpassing global giant France. India is well poised to surpass Japan, Germany, Britain, and France to become the third largest economy by 2030. The Niti Ayog (Planning Commission) has projected the Indian economy to grow by an average annual rate of 8% in the next fifteen years. It believes that India has the potential to become a \$10 trillion economy only when its growth rate increases from 7% to 10% annually, which if sustained, can make the Indian economy a \$10 trillion economy by 2030.

India has emerged as one of the most attractive destinations for doing business. Sustained business reforms over the past several years has helped India jump 23 places to move to the 77th position in the World Bank's Ease of Doing Business rankings 2019. This is the second consecutive year that India has been recognised as a top performer. The prime focus now is to secure a place in the top 50 countries by 2022. Achieving the 50th position will be a huge milestone for India as it will further open up the economy by creating plethora of opportunities for doing business in the country.

The current economic picture of India has important implications for progress towards the Sustainable Development Goals. The continued improvement in global macroeconomic conditions offer an opportunity to raise living standards on a broad scale. However, this also requires policies aimed at reducing inequality, to ensure that economic gains are widely shared. Forecasts for GDP growth in 2018 have been revised upward in nearly 40% of countries since December.

Major Sectors Contributing to the **Indian Economy**

Information Technology

According to data shared by Nasscom, the Indian IT & BPM Industry is expected to reach \$ 350 billion by 2025. The domestic software market presently values at \$ 4.8 billion with expected Compound Annual Growth Rate (CAGR) of 10%.

Technology will be the most critical pillar of the Indian Economy in 2030. Products being the major driver of growth in the next decade, role of mobile companies and telecom providers is indispensable.

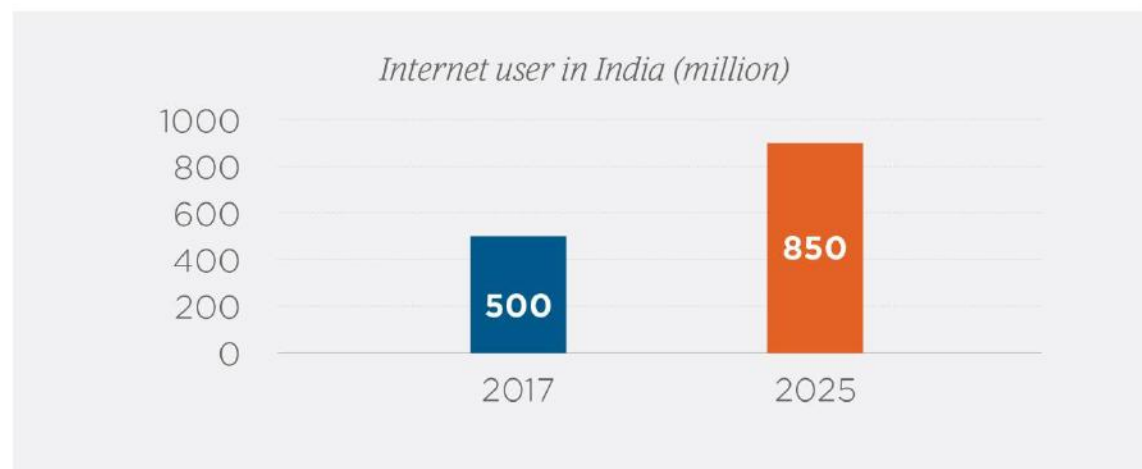
In 2017, India accounted for 500 million internet users. This number is expected to reach 850 million by 2025 which is more than the combined population of G7 Countries with 75% of the users coming from tier 1 and tier 2 cities. To make this look more staggering, the number of smartphone users in India will reach 1.2 billion by 2030. These numbers mark the huge investment potential in this colossal sector. The sector puts the Country on the path of ever needed digital transformation, awareness and even education.

Taking a sector wise look at major tech industries would further show the massive impact the economy is going to see in the next decade.

IT SERVICES

IT services marked the inception of Information technology in India with likes of Infosys, TCS, Wipro, HCL and others generating tons of revenues and jobs. IT services is considered to be one of the major sectors contributing towards economic development, keeping in mind the burgeoning demand for digital services and solutions.

According to Nasscom and IBEF, the software and services industry finished the financial year ending March 31, 2018, with sales of \$167 billion, which represents a 7.8% rise in exports and a 10% growth in the revenue contribution from the Indian domestic market. IT services exports are projected to add \$10 billion during the fiscal year, to touch \$ 126 billion. The industry is expected to grow to \$ 350 billion by 2025 and BPM is expected to account for \$ 50-55 billion out of the total revenue.



The Government has also realised the importance of IT services by identifying it as one of 12 champion service sectors for which an action plan is being developed. In addition, the government has set up a ₹5,000 crore (US\$ 745.82 million) fund for realising the potential of these champion service sectors. Furthermore, NITI Aayog is to set up a national level programme that will enable efforts in Artificial Intelligence (AI) and help in leveraging AI technology for development works in the country.

Accounting for 67% of global outsourcing market, India shall remain the top nation in terms of providing both on-shore and off-shore IT services across the globe generating massive employment opportunities. The quality and cost of services shall be the two most important factors making India the IT powerhouse in the global IT services market.

E-COMMERCE

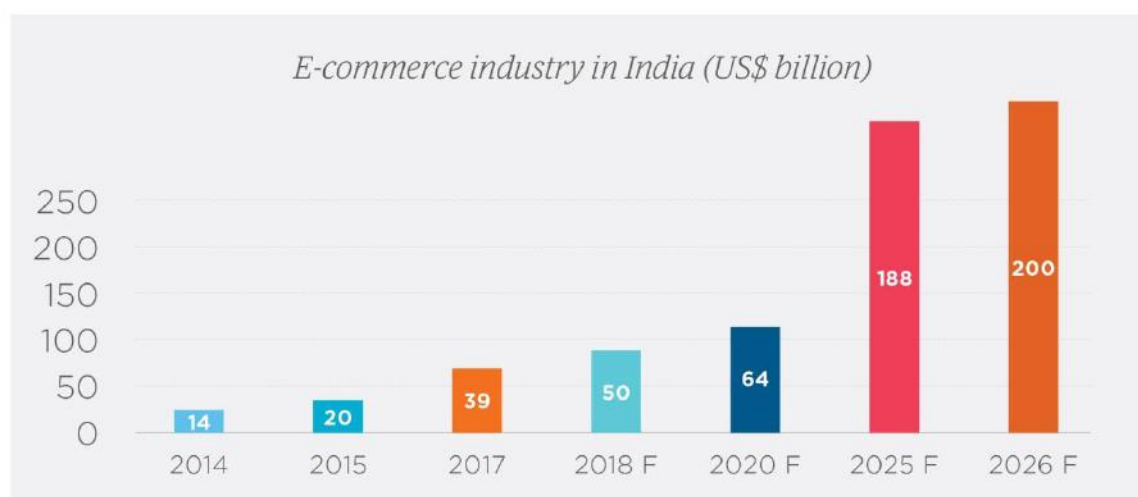
Talking about flourishing tech industries, it would be unfair to not be bullish on E-commerce.

The Indian e-commerce industry has undergone major transformation and witnessed significant growth in the past few years. With a CAGR of 30% , the e-commerce market is projected to grow to \$ 200 billion by 2026. Much of the growth in the industry has been triggered by the ongoing wave of digital transformation in the country. The growth has also been propelled by the increased use of mobile phone and internet users and increasing consumer wealth.

The number of online buyers is projected to be 350 million by 2025 as against 90 million at present. Technology driven innovations like digital payments, hyper-local logistics, analytics driven customer engagement and digital advertisements are the major reasons for changing preferences of Indian consumers towards online shopping. Apparel is the largest category for online retail, followed by consumer electronics, and computer hardware. Besides these, grocery, beauty and cosmetics, home appliances, and furniture are also popular categories among online shoppers.

Led by Flipkart, Amazon India and Paytm Mall, some of the major breakthroughs witnessed by sector are:

- Flipkart, after getting acquired by Walmart for \$ 16 billion, is expected to launch more offline retail stores in India to promote private labels in segments such as fashion and electronics. In September 2018, Flipkart acquired Israel based analytics start-up Upstream Commerce that will help the firm to price and position its products in an efficient way.
- Paytm has launched its bank - Paytm Payment Bank. Paytm bank is India's first bank with zero charges on online transactions, no minimum balance requirement and free virtual debit card.
- As of June 2018, Google is also planning to enter into the E-commerce space by November 2018. India is expected to be its first market.



- E-commerce industry in India witnessed 21 private equity and venture capital deals worth \$ 2.1 billion in 2017 and 40 deals worth \$ 1,129 million in the first half of 2018.
- Google and Tata Trust have collaborated for the project 'Internet Saathi' to improve internet penetration among rural women in India.
- Chinese tech-behemoth Alibaba just acquired a \$ 200 million stake in India's major e-commerce grocery store, Big Basket.

The Indian e-commerce industry is expected to continue its growth trajectory to become the 2nd largest in the world by 2034. Export growth of retail and lifestyle products at a CAGR of 10% year-on-year, 100% FDI in retail, and the introduction of tax mechanisms such as GST are expected to further boost the growth of this sector.

Source: Invest India, Economic Times, Your Story, IBEF

FINTECH

The next major market segment topping the charts is Fintech. Fintech is empowering the digital transformation for an economy heavily dependent on cash. It is literally changing the way Indians do money transfers, insure themselves, execute savings and investments more smartly.

With majority of the population still devoid of banking and insurance, the sector is going to be huge boost to economic development of the said population and the economy as a whole. According to Mckinsey Global Institute, as many as 300 million Indians could gain access to banking services and raise their incomes by 5 to 30%.

Another important area which really marries the banking and finance sector is governance. Technology can make the transactions flowing in the economy more safer, simpler and secure. Governance issues have been primarily on account of cash based economy. Digital transformation in the sector would go a long way in reducing the cash component bringing more transparency in transactions.

Like Ecommerce, Fintech too shall have a sustainable impact on Job Creation.

Let's have look at some of key statistics in the sector making the sector ever promising:

- According to ACI worldwide, By 2025, Digital transactions in India could be worth \$ 1 trillion annually.
- The Indian Fintech market is forecast to touch USD 2.4 billion by 2020 from a current USD 1.2 billion (Source: Nasscom)
- Economic Impact of Fintech and Digital finance
 - A. GDP Impact: USD 700 Billion boost by 2025
 - B. USD 800 Billion New deposit
 - C. USD 600 Billion new credit (Source: Yesbank)
- According to a Kpmg - Google report, Fintech would drive 5x more employment, increase MSME contribution to the GDP by 10 percentage points by 2022.

HEALTHCARE

Recent years have seen significant traction in healthtech in India. With both the Private and Government sector backing the sector with financial resources the spotlight is now on innovations and Artificial intelligence in the space.

Healthtech is truly changing the way people are accessing and availing the health care services. Starting first with Saas products for Doctors to Aggregators and now moving onto devices and artificial intelligence.

According to Nasscom, the Indian healthcare market is valued at \$1 billion and is likely to grow 1.5 times by 2020. The healthtech saw a total funding of \$ 302 million in 2017 across 55 deals.

EDUTECH

Edutech will play a pivotal role in educating the next billion workforce. Technology can make education more affordable, accessible, qualitative and heavily personalised.

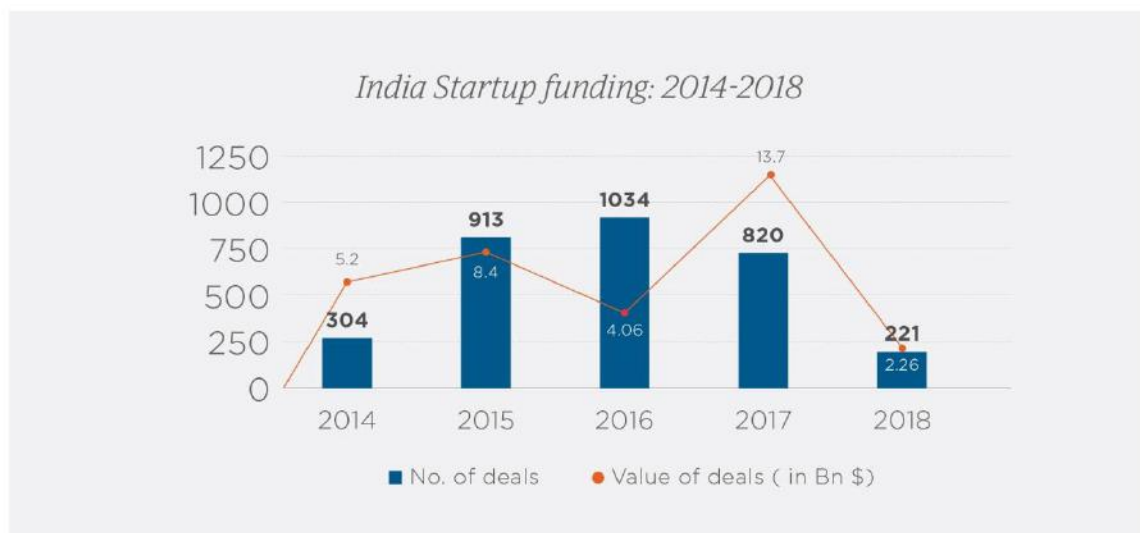
According to a report by Kpmg+google, Online education industry will be a \$1.96 billion industry by 2021. The report finds that the paid user base will grow 6X from 1.6 million users in 2016 to 9.6 million users in 2021.

Entrepreneurship

Entrepreneurs are the national assets for any developing economy. Both the private sector and the government have acknowledged the role entrepreneurs can play in fueling the economy and its importance in making India a super economy. India has seen a wave of Startups coming up in recent years with more and more young minds getting motivated to start their own ventures.

The startup ecosystem in India is seeing an all time high with more new entrepreneurs entering the system, budding angel investors, variety of Incubators & Accelerators and venture capital firms, both domestic and global, betting on India's trillion dollar market.

The Indian Startup Ecosystem has become sector agnostic, vibrant and multi dimensional in terms of solving problems both for consumers and businesses, generating employment and creating globally acceptable products. Global Investor giants like Softbank, Alibaba, Tiger global, Tencent and other hedge & Venture Capital firms are aggressively placing bets given the size of Indian market, internet and smartphone penetration. The credit also goes to Indian Unicorns like Flipkart, Ola, OYO, Zomato and Paytm conquering the market and inspiring the young guns.



Since 2014, the Indian startup ecosystem has seen investment worth \$ 33.62 billion. Financial year 2017 saw an investment of \$ 13.7 billion across 820 deals. The first quarter of 2018 has seen investment worth \$ 2.2 billion and a major acquisition of Flipkart by Walmart for a milestone \$ 16 billion.

According to Niti Ayog, India is expected to have about 1 lakh startups by 2026 with an investment of approximately \$ 400-\$ 500 billion.

The Government has also shown promise, speed and urgency in respect of making efforts, framing policies and taking initiatives to bolster the startup ecosystem. Startup India, Pradhan Mantri Mudra Yojana and Stand up India are some key policy initiatives taken in this respect.

STARTUP INDIA

Startup India is a flagship initiative intended to build a strong ecosystem that is conducive to the growth of startups to drive sustainable economic development and generate large scale employment opportunities.

There are several schemes to ease the availability of funding options for the startups. One such initiative is 'Fund of Funds'. The focus of this scheme is to provide funding support for the growth and development of innovation driven enterprises. The Fund will be in the nature of Fund of Funds. This means that it will not be invested into the Startups directly but shall participate in the capital of SEBI registered Venture Funds. Some of them are Bank Credit Facilitation Scheme, Raw Material Assistance Scheme, Performance and Credit Rating Scheme, Credit Enhancement Guarantee Scheme, Infrastructure Development Scheme, Sustainable Finance Scheme, etc. In addition, many Accelerators and Incubators have also been established across different states of the country.

The start ups registered under Startup India are subject to a number of benefits, namely:

- The Startups may self-certify compliance under nine environmental and labour laws.
- A registered startup is given income tax exemption for a period of three consecutive years.
- Tax exemptions are also allowed on Capital Gains and on Investments above Fair Market Value.
- INR 100 crore fund has been allotted for investment into startups through Alternate Investment Funds.

- The Startup Patent Application and IPR Protection process has been fast tracked and up to 80% rebate is allowed on filing of patents.
- Government provides IPR support by bearing facilitation cost and allowing 50% rebate on trademark filing.
- Income Tax Exemption on profits under Section 80-IAC of Income Tax Act is permitted for any three consecutive years out of seven years from the year of incorporation of startup.
- A DIPP recognized Startup, being a private limited company, shall be eligible to apply to the Inter-Ministerial Board for Income Tax Exemption on investments above fair market value made by angel investors received under Section 56 of Income Tax Act.

PRADHAN MANTRI MUDRA YOJANA

With the purpose of 'funding the unfunded' in a bid to social and economic development, the Mudra Yojana was launched on April 18, 2015 for providing loans up to ₹10 lakh to the non-corporate, non-farm small/micro enterprises. The Yojana is targeted to aid semi-skilled, unskilled and youth from tier 3 towns & villages who are willing to do business but are devoid of financial and technical and liasoning support.

Since the launch of the scheme approximately 14 crore loans have been sanctioned amounting to ₹6 lakh crore.

The PMMY has been able to provide access to affordable credit to many micro entrepreneurs from formal credit delivery agencies which have helped them to establish new units or expand their existing ones. Data indicates that out of those who received the loans, around 40% are new entrepreneurs and more than 75% are women entrepreneurs. It is noteworthy to mention that more than 90% of the borrowers fall under 'Shishu category', which targets entrepreneurs with a loan amount of up to ₹50,000/.

During the year, MUDRA enrolled 33 additional partner institutions taking the total number of enrolled partner institutions to 193 as on March 31, 2017, comprising 27 Public Sector Banks, 18 Private Sector Banks, 31 Regional Rural Banks (RRBs), 13 State / Urban Co-op Banks, 73 MFIs and 31 NBFCS.

STANDUP INDIA

India has been captured by the chains of gender

and caste based discrimination since centuries. Due to these stereotypes, many men and women with entrepreneurial talent do not get attention and resources to achieve their vision. Standup India scheme endeavors to create a conducive environment which works to provide support by helping them set up enterprises, obtain loans, and avail general day to day support in doing business.

This scheme extends bank loans between ₹10 lakh and ₹1 Crore to at least one SC or ST borrower and at least one woman borrower per bank branch for setting up a Greenfield enterprise, which may be in the manufacturing, services or trading sector. In case of a non-individual enterprise, at least 51% of the shareholding and controlling stake should be held by SCs/STs or women.

Launched on August 15, 2015, the expected date of reaching the target of at least 2.5 lakh approvals is 36 months from the date of launch. By Mid-August 2017, 38,477 people were given loan up to ₹8,277 crores out of which 31,000 were women and given loans up to ₹6,895 crores. The initiative is committed to its target of increasing the inclusion of every household in the financial system so that the masses can get all the legitimate benefits arising out of the growth of the country.

Source: Nasscom, Yourstory, Economic times, Invest India, Startup India

Infrastructure

A rapidly growing economy, increasing urbanisation, and a government dedicated to bolstering the infrastructure of the nation- India is on its way to cementing its place as one of the world's biggest construction powerhouses. Infrastructure includes real estate, roads, railways, airports, ports, dams, bridges, etc. The sector currently employs 44 million people and contributes 9% to India's GDP. India needs about \$ 1.5 trillion investment in the infrastructure sector in the next 10 years. India will be required to spend \$ 454.8 billion on infrastructure development over the period of five years (2015-2020) with 70% of funds needed for roads and urban infrastructure segments.

REAL ESTATE

The Indian real estate sector has transformed significantly over the decade. The fulcrum of this transformation is the enabling regulatory

environment being created through several policy reforms such as the Real Estate (Regulation & Development) Act, 2016; Pradhan Mantri Awas Yojana; and Real Estate Investment Trusts (REITs), to name a few. These policies are expected to ensure higher accountability, transparency, and increase efficiency in the sector.

It is estimated that India will require an investment of over \$ 4 trillion over the next five to seven years to meet the development goals such as Housing for All; 100 Smart Cities ; Delhi-Mumbai Industrial Corridors (DMIC) and for creating support urban infrastructure.

Real Estate (Regulation & Development) Act, 2016

- The Act came into force on 1st May, 2017 with the aim to increase transparency, accountability, and overall efficiency.
- Over 19,000 projects across 27 cities alone, entailing an investment of over ₹21 trillion are expected to come under its purview.
- It seeks to protect the interest of home buyers and boost investments in the real estate sector. In addition, it also helps in accumulating data at a designated repository and creating a robust grievance redressal system.
- To prevent time lags, the authority has been mandated to dispose applications within a maximum period of 60 days; and the same may be extended only if a reason is recorded for the delay.

- According to a joint report by FICCI and Grant Thornton, out of a total of 35 states and UTs in the country, excluding J&K, just 24 states and UTs have notified RERA rules so far.
- As many as 31,500 real estate projects across the country have been registered under RERA till date, with Maharashtra alone accounting for almost 54% of the same.
- Around 25,000 real estate developers and 23,000 real estate agents have registered themselves under RERA.
- 6 permanent and 17 interim RERA regulators have been appointed so far, with 18 states having managed to have a dedicated portal.
- The Centre has set up a 30-member Central Advisory Council (CAC) to advise on matters regarding RERA implementation across the nation.

Smart Cities Mission

- 100 smart cities are to be selected through a 'City Challenge Competition'.
- Objective is to promote cities that provide core infrastructure and a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' solutions.
- Till date, 99 cities have been identified with a total outlay of ₹2.04 lakh crore.
- Projects worth ₹2350 crore have been completed and works of ₹20,852 crore are under progress.
- In addition, 82 Special Purpose Vehicles have been formed.

Pradhan Mantri Awas Yojana (PMAY)

- The scheme aims to build over 20 million houses in urban India by 2022.
- The affordable housing segment is likely to grow over 30% .
- The government has allocated \$ 3.5 billion under PMAY to fulfil its agenda of 'Housing for All by 2022'.
- The reduction in the cost of homes is expected to result in an increase in participation from domestic and foreign players.
- 51 lakh dwelling units have been sanctioned till date with over 28 lakh units being grounded and are in various stages of construction.
- Over 8 lakh houses have already been completed and nearly 8 lakh houses have been occupied by the beneficiaries.
- A National Urban Housing Fund for ₹60,000 crores has been set up for raising Extra Budgetary Resources (EBR) in phases, for the rapid implementation of PMAY (U).

Real Estate Investment Trusts (REITs)

- REIT is a type of investment instrument that invests in rent-yielding completed real estate projects.
- It is estimated that India currently has a rent-yielding office and retail inventory to the extent of 350 million square feet, valued in excess of \$ 70 billion.
- It would create an opportunity worth ₹1.25 trillion (US\$ 19.65 billion) in the Indian market over the years.

Real estate sector is witnessing consolidation via mergers and acquisitions, joint developments, joint ventures, etc. Large developers have also started providing supportive social infrastructure and services such as private fire tenders, captive power plants, security personnel, healthcare facilities, and private metro to enhance the value of their assets. The scale of development has changed significantly from mere standalone buildings to integrated townships, theme based townships, developments linked to economic activities, and even self-sustained mini cities.

Indian Real Estate market is projected to become the third largest sector globally, touching USD 1 trillion by 2030. A survey conducted by KPMG in association with Naredco and APREA revealed that the India has consistently improved upon its global real estate ranking since 2014. The sector is estimated to grow to \$ 650 billion by 2025 and surpass \$ 850 billion by 2028 to touch \$ 1 trillion by 2030. The report also states that the private equity investments in Indian real estate improved 15 per cent year-on-year in January-March 2018 reaching \$ 3 billion and is estimated to grow to \$ 100 billion by 2026 with tier 1 and 2 cities benefiting the most in future. Furthermore, \$ 4 billion has been invested by institutional investors in 2018 so far with average deal size crossing USD 150 million mark, which is the highest in the last five years.

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. Private equity investments in real estate are estimated to grow to US\$ 100 billion by 2026 with tier 1 and 2 cities being the prime beneficiaries. Private Equity and Venture Capital investments in the sector reached US\$ 2.99 billion during January-August 2018.

According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 24.87 billion in the period April 2000-June 2018.

Some of the major investments in this sector are as follows:

- In September 2018, Embassy Office Parks announced that it would raise around ₹52 billion (US\$ 775.66 million) through India's first Real Estate Investment Trust (REIT) listing.

- New housing launches across top seven cities in India increased 50% quarter-on-quarter in April-June 2018.
- In May 2018, Blackstone Group acquired One Indiabulls in Chennai from Indiabulls Real Estate for around ₹900 crore (US\$ 136.9 million).
- In February 2018, DLF bought 11.76 acres of land for 15 billion (US\$ 231.7 million) for its expansion in Gurugram, Haryana.

ROADWAYS

The highways sector in India has been at the forefront of performance and innovation. The government has successfully rolled out over 60 projects worth over \$ 10 billion based on the Hybrid Annuity Model (HAM). With a total road network of 5.5 million km, India has the 2nd largest road network in the world.

Some of the recent government initiatives are as follows:

- As of August 2018, a total length of 34,800 km road projects have been proposed to be constructed, under Bharatmala Pariyojana Phase-I. \$ 82 billion are projected to be invested in this project by 2022.
- As of August 2018, Government of India has approved highway projects worth ₹2 billion (US\$ 29.83 million) to improve connectivity among Gujarat, Maharashtra, Rajasthan, Madhya Pradesh and Diu.
- In May 2018, the Government of India signed \$ 500 million loan agreement with World Bank to provide additional funding for construction of 7,000 km climate resilient roads out of which 3,500 km will be built using green technologies under Pradhan Mantri Gram Sadak Yojana.
- In May 2018, IIFCL Mutual Fund launched infrastructure debt fund (IDF) scheme with Corporation Bank, Oriental Bank of Commerce & IIFCL as investors and Canara Bank & HUDCO as strategic investors.
- In May 2018, the Government of India approved construction of a 9.9 km 6 lane bridge project across Ganga in Uttar Pradesh on NH-36 with the total capital cost of ₹1,948.25 crore (US\$ 302.29 million). The construction of the project is expected to be completed by December 2021.

- In April 2018, the Government of India signed a US\$ 210 million deal with World Bank to improve rural roads at a stretch of 10,510 km in Madhya Pradesh under the Gram Sadak Yojana programme.

Furthermore, the government through a series of initiatives is working on policies to attract significant investor interest. A total of 200,000 km national highways are expected to be completed by 2022.

The Ministry of Road Transport and Highways has fixed an overall target to award 15,000 km projects and construction of 10,000 km national highways in FY19. A total of about 295 major projects including bridges and roads are expected to be completed during the same period.

The Government of India has decided to invest ₹7 trillion (US\$ 107.82 billion) for construction of new roads and highways over the next five years.

RAILWAYS

The Indian Railway network is growing at a healthy rate. In the next five years, the Indian railway market will be the third largest, accounting for 10% of the global market. It is the single largest employer in India, employing close to 1.4 million people and the 8th largest in the world. The sector aspires to add 1.5% to the country's GDP by building infrastructure to support 40% modal freight share of the economy. Foreign Direct Investment (FDI) inflows into Railways Related Components from April 2000 to June 2018 stood at US\$ 920.21 million.

Let's have a look at some of the major investments and developments in India's railways sector:

- In March 2018, Alstom completed production of the first all-electric locomotive at the manufacturing facility in Madhepura, Bihar.
- In May 2018, Parcel Cargo Express Train (PCET) commenced operations. The train connects the North-Eastern region with the coast as its initial and penultimate stops are New Guwahati in Assam and Kalyan in Maharashtra.
- Two Dedicated Freight Corridors (DFC), one on the Western route (Jawaharlal Nehru Port to Dadri) and another on the Eastern route (Ludhiana to Dankuni), have been fast-tracked.
- \$17 billion investment has been allocated for 35 bullet trains by 2022.

Few recent initiatives taken up by the Government are:

- The Government of India is going to come up with a 'National Rail Plan' which will enable the country to integrate its rail network with other modes of transport and develop a multi-modal transportation network.
- A 'New Online Vendor Registration System' has been launched by the Research Designs & Standards Organisation (RDSO), which is the research arm of Indian Railways, in order to have digital and transparent systems and procedures.
- Indian Railways is targeting to increase its freight traffic to 3.3 billion tonnes by 2030 from 1.1 billion tonnes in 2017.
- The Government of India has signed an agreement with the Government of Japan under which Japan will help India in the implementation of the Mumbai-Ahmedabad high speed rail corridor along with a financial assistance that would cover 81 per cent of the total project cost.

- To enhance transparency in the processing and settlement of bills, Indian Railways has come up with a new bill tracking system for contractors/ vendors of Indian Railways to track status of their bills.
- As of February 2017, Indian Railways to manufacture semi high-speed, 160 kmph 'world-class' train under Make in India initiative, comprising 16 fully air-conditioned coaches. The new train will be manufactured at half of the import cost, at the Integral Coach Factory, Chennai, Tamil Nadu.
- With eight metro rail networks spread over a length of 370 kilometres (km) and over two dozen metro projects lined up, India's metro rail network is expanding at a fast pace. The Government of India has allocated US\$ 2.21 billion for metro projects in Budget 2018-19.

- Diamond quadrilateral network of high speed rail connecting major metros and growth centres of the country is also being constructed.
- The Ministry of Railways has decided to redevelop 90 railway stations into world class transit hubs.
- The Indian Railways is looking to award 6 tenders worth \$ 1.2 bn, for setting up a country-wide electricity transmission network as part of a strategy to reduce electricity bills.
- Indian railways plans to connect New Delhi with Ladakh region through the world's highest railway line that will run along the India-China border. The estimated cost to build this 465 km-line will be ₹83,360 crore.

Source: Invest India, Economic Times, Financial Express, Times of India, IBEF, Press Bureau of India

Education

Education is one of the fundamental constituent of Socio Economic Development. No nation can achieve sustainable development without investing in education as a service and as infrastructure.

For an economy which is said to be going through a major digital transformation, the role of education both from the perspective of creating digital services, solutions, processes and products and from the perspective of creating awareness, procurement and utilisation is very important.

By 2020, the average age in India will be 29 years, Europe at 45 years, China at 35 years, and the US at 31 years. We have a young producing and consuming population for the next couple of decades. Coupling this fact with right education can make India a global superpower, ready to take on the world.

India has over 250 million school going students, more than any other country. It also has one of the largest networks of higher education institutions in the world. India has 800 universities, 51,000 colleges and 35 million young people in college. Close to 80 lakh graduates pass out of colleges every year. By 2030, there will be close to 70 million young people in colleges, making it the largest college going population in the world.

Talking about the sector size, India's education sector offers a huge opportunity with approximately 29 per cent of India's population being between the age group of 0-14 years. India's higher education

segment is anticipated to increase to \$ 35.03 billion by 2025. The education sector in India is estimated at \$ 91.7 billion in Financial Year 2018 and is expected to reach \$ 101.1 billion in Financial Year 2019.

The Indian Government, both state and central, have taken Education and Skill Development with a sense of priority. Several long term key schemes and initiatives have been implemented. Some of the key government initiatives taken are:

- The allocation for primary and higher education under the Union Budget 2018-19 is expected to increase by 14 percent, to focus on accelerating existing schemes and quality improvement.
- In order to boost the Skill India Mission, two new schemes, Skills Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP) and Skill Strengthening for Industrial Value Enhancement (STRIVE), have been approved by the Cabinet Committee on Economic Affairs (CCEA), Government of India, with an outlay of ₹6,655 crore (US\$ 1.02 billion) and will be supported by the World Bank.
- NITI Aayog is launching the Mentor India Campaign which will bring leaders and students together at more than 900 Atal Tinkering Labs in India, as part of the Atal Innovation Mission. As of June 2018, 5,441 schools have been selected across India for establishing Atal Tinkering Labs (ATLs) under the Atal Innovation Mission (AIM).
- The Ek Bharat Shreshtha Bharat (EBSB) campaign has been undertaken by Ministry of Human Resource Development to increase engagement between states, union territories, central ministries, educational institutions and general public.
- Prime Minister Mr Narendra Modi launched the Skill India initiative - 'Kaushal Bharat, Kushal Bharat'. Under this initiative, the government has set itself a target of training 400 million citizens by 2022. This would enable them to find jobs. The initiatives launched include various programmes like: Pradhan Mantri Kaushal Vikas Yojana (PMKVY), National Policy for Skill Development and Entrepreneurship 2015, Skill Loan scheme, and the National Skill Development Mission.
- Respective State Governments have set aside Budget in Millions for improving the education infrastructure of their states.

Talking about Education Sector coupled with young population being the superpower of Indian Economy, we are set to make major breakthrough in years to come. By 2030, it is expected that:

- India will have an augmented gross enrollment ratio of 50%.
- Emerge as the single largest provider of global talent, with one in four graduates in the world graduated from Indian higher education system.
- India is expected to be amongst top five countries in the world in terms of research output with an annual R&D expenditure of \$ 140 billion.
- Reduce gender and social disparity in gross enrollment ratio to 5%.

(Source: IBEF, DIPP, Ministry of Human Resource Development)

Energy

Given the 1.3 Billion Population, it is needless to say what role Energy Sector has to play in India. Major concerns in the energy sector have been more about wind and solar which have remained untapped since 70 years mainly on the reasons of political discipline and resources at disposal, both financial and technological. With the kind of ambitions, investments and reforms expressed India has taken a big stride towards ending Energy Poverty. Given the global climatic changes and availability of energy resources in comparison to huge energy needs of the population, Government will have a pivotal role in drafting a sustainable energy blueprint for all.

As evident from commitments made in Paris Climate accord, the Government is committed to increase the use of clean energy sources and promote green energy by reducing the emissions intensity of GDP by 33%-35% below the 2005 level and increase the share of non-fossil fuels in total capacity to approximately 40% by 2030. Renewable energy sources have a combined installed capacity of 62.85 GW, pegged at around 18.8% of the country's total energy capacity. India has the largest renewable energy expansion plan globally and has set up a target of achieving 175 GW of renewable power by 2022. To achieve these mountainous ambitions, it has to produce 100 GW from solar, 60 GW from wind, 10 GW from biomass and 5 GW from small hydropower by 2022.

As per the Ministry of Power, Government of India, India's energy mix is evolving slowly with fossil fuels meeting 82% of demand; Coal remaining the dominant fuel with a 57.9% share of total production in 2018. However, taking a look at the brighter side, with the share of coal in the energy mix projected to fall to 50% by 2040, while the share of renewables rises significantly. Renewables will overtake gas and then oil by 2020 as the second largest source of energy production.

With more than 1000 GW renewable potential, the renewable energy sector in India is booming.

It is an attractive sector for investors with 100 % Foreign Direct Investment being allowed in renewable power generation and distribution.

FDI inflows amounting to \$ 6.40 billion has been recorded in the non-conventional energy sector during April 2000- March 2018.

The Country looks more devoted towards creating a sustainable renewable energy infrastructure under the leadership of Prime Minister Narendra Modi. The 175 GW target for 2022 and the formation of ISA led by India and France is another example of the same.

The significant growth witnessed in this sector can be attributed to the investments made for undertaking major projects. According to the Invest India website, some of the major projects are:

- World's largest solar park launched in Karnataka. The world's largest solar park set up at an investment of \$ 2.53 bn at Pavagada in Tumakuru district of Karnataka.
- LONGi Green Energy Technology Co. Ltd will be the first Chinese company to set up a solar equipment manufacturing facility in India. LONGi's facility will be set up in Andhra Pradesh at an investment of around \$ 309 mn for manufacturing 1 GW of monocrystalline silicon cell and modules each. Solar modules account for nearly 60% of a solar power project's cost.
- India's Avaada Power has signed a Memorandum of Understanding with the Government of Uttar Pradesh to invest \$ 1.55 bn in the state for developing 1,600 MW Solar Projects. The projects will be developed across Mirzapur, Badun, Gorakhpur and Bundelkhand districts.
- ReNew Power inks pact with UP government to invest \$ 1.2 bn for 1.2 GW of renewable energy capacity, a move which can create 12,000 jobs in the state. ReNew has also entered into a MoU with Maharashtra Government to invest a total of \$ 2.2 bn on solar, wind and waste-to-energy projects.

According to a report by Economic times, India's power sector has a potential of ₹15 trillion over the next four to five years showing massive opportunities in power generation, distribution and transmission.

Some of the major developments and initiatives that would have long term impact in achieving the ambitions in the power sector are:

- The Government is committed to build 50 solar parks of 40 GW by 2020 and has allocated \$ 1.3 billion for the project. In addition, 60 solar cities have also been approved.
- The government is set to tender 20,000 MW of solar capacity, which would perhaps be the largest block of capacity to be auctioned in a single tranche for the first time globally.
- The National Wind-Solar Hybrid and Offshore Wind Energy Policy released by the government has opened up new areas of opportunities for the sector.
- 293 global and domestic companies have committed to generate 266 GW of solar, wind, mini hydel and biomass-based power in India over the next decade. The initiative would entail an investment of \$ 310 billion-\$ 350 billion. For instance, the International Finance Corporation, the investment arm of the World Bank Group, is planning to invest about \$ 6 billion by 2022 in several sustainable and renewable energy programmes in India.
- \$ 5.8 billion dollar has been allocated for setting up Green Energy Corridor.

Source: Invest India, Economic Times

MSME

Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs not only play a crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural and backward areas, thereby reducing regional imbalances and assuring more equitable distribution of national income and wealth.

MSME sector contributing a mammoth 45% to the GDP is regarded as the backbone of the Indian Economy. SMEs are expected to be a \$ 25.8 billion by 2020 . Recent years have seen millions of investment in creating necessary support in form of financial and technical resources. Startup India and Make in India have further regulated seamless processes for the sector with a lot of benefits. Right utilisation of ₹10,000 Crore Fund of funds formed by the Government can boost the sector across both the industries - Manufacturing & Services, and create a million job opportunities.

Owing to MSME, India is expected to have the largest job-market ready youth population in the world by 2020, the sector is sure to support India in improving its financial inclusion and mitigating the rural-urban divide. Several policy interventions along with technology and innovation will continue to play a pivotal role in creating a business-friendly atmosphere for the MSMEs.

Make in India

There has never been a better time for 'Make in India'. Since the launch of this campaign in 2014 the obsolete and restrictive framework of the past have been abolished and replaced with a more transparent and user friendly system that focuses on driving growth and establishing a New India. It is intended to increase the share of manufacturing to 25% of GDP and Make in India is a critical initiative to achieve this objective. The primary objective of this initiative is to attract investments from across the globe and strengthen India's manufacturing sector. It is being led by the Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry, Government of India.

The Make in India initiative is built on four pillars, namely:

- **New Processes:** With the objective of fostering business partnerships and attracting Foreign Direct Investment, the Government has introduced several reforms. Many initiatives have already been undertaken to alleviate the business environment from outdated policies and regulations. The reform is also aligned with parameters of Ease of Doing Business with focus on improving the rankings.
- **New Infrastructure:** Infrastructure is integral to the growth of any industry. The government has undertaken several projects to develop industrial corridors and build smart cities with state-of-the-art technology and high-speed communication. Innovation and research activities are supported by a fast-paced registration system and improved infrastructure for Intellectual Property Rights (IPR) registrations. Along with the development of infrastructure, the training for the skilled workforce for the sectors is also being addressed.
- **New Sectors:** 'Make in India' has identified 25 sectors to promote the detailed information being shared through an interactive web-portal. The Government has allowed 100% FDI in Railway and removed restrictions in Construction. Furthermore, the cap of FDI has been increased to 100% in Defense and Pharmaceutical.
- **New Mindset:** The Government of India has always acted as a regulator and not a facilitator. However, with the launch of this initiative, it intends to bring a paradigm shift in the way Government interacts with various industries. It focuses on acting as a partner in the economic development of the country alongside the corporate sector.

The focus of Make in India programme is on 25 sectors. These include: automobiles, aviation, chemicals, IT & BPM, pharmaceuticals, construction, defence manufacturing, electrical machinery, food processing, textiles and garments, ports, leather, media and entertainment, wellness, mining, tourism and hospitality, railways, automobile components, renewable energy, biotechnology, space, thermal power, roads and highways and electronics systems.

The government hopes to create 100 million new jobs by 2022, thereby giving a push to the Indian manufacturing sector and to provide them with a stronger role in domestic job creation. At present, the Indian manufacturing sector contributes 16% to India's GDP. However, by 2025 it is expected to increase its GDP share to 25%. India is expected to capture the fifth position in the list of most competitive manufacturing nations in the world in the next five years.

Within the short span of time, there have been many instances of the initiative's success:

- In December 2015, Micromax announced that it would put up three new manufacturing units in Rajasthan, Telangana and Andhra Pradesh.
- Japan announced it would set up a USD 12 billion fund for Make in India-related projects, called the 'Japan-India Make-in-India Special Finance Facility' after the Japanese Prime Minister Shinzo Abe's visit to the country.
- Huawei opened a new Research and Development (R&D) campus in Bengaluru and is in the process of setting up a telecom hardware manufacturing plant in Chennai.
- France-based LH Aviation signed a Memorandum of Understanding (MoU) with OIS Advanced Technologies to set up a manufacturing facility in India for producing drones.
- Foxconn announced it would invest USD 5 billion over five years for R&D and creating a hi-tech semiconductor manufacturing facility in Maharashtra.
- India and Russia have deepened their Make in India defence manufacturing cooperation by signing agreements for the construction of naval frigates, KA-226T twin-engine utility helicopters (joint venture

(JV) to make 60 in Russia and 140 in India), Brahmos cruise missile (JV with 50.5% India and 49.5% Russia).

- In May 2018, the Indian Army announced a ₹50,000 crore (US\$7.0 billion) ammunition production project to be implemented in phases over a 10-year period.
- India became a member of the Wassenaar Arrangement in December 2017, that is, a club that controls the global trade of conventional weapons and dual use goods and technologies. This will facilitate hi-tech tie ups within the Indian industry.
- INS Kalvari, built by Mazagaon Dock Shipbuilders, inducted into the Navy in December 2017. In addition, first of 6 Diesel-Electric attack submarine was also inducted into the Navy.
- The Bharatnet Project is the biggest user of 'Made in India' equipment. Only indigenously manufactured equipment will be used in one of India's most revolutionary projects which is set to connect 2,50,000 gram panchayats with high speed broadband upon completion.
- World Food India 2017, the first-ever food processing gateway to the Indian food economy, was conducted in November 2017. The event was attended by over 7000 stakeholders from 60 countries. More than 50 Memorandum of Associations were signed and investments worth \$ 19 billion were permitted.

India has started a transformational journey towards becoming an attractive global business destination. The 25 identified sectors have the potential to transform the country into a global player by 2030 by eliminating unnecessary regulations, shortening bureaucratic processes, upgrading infrastructure, generating employment, and opening up new sectors to FDI.

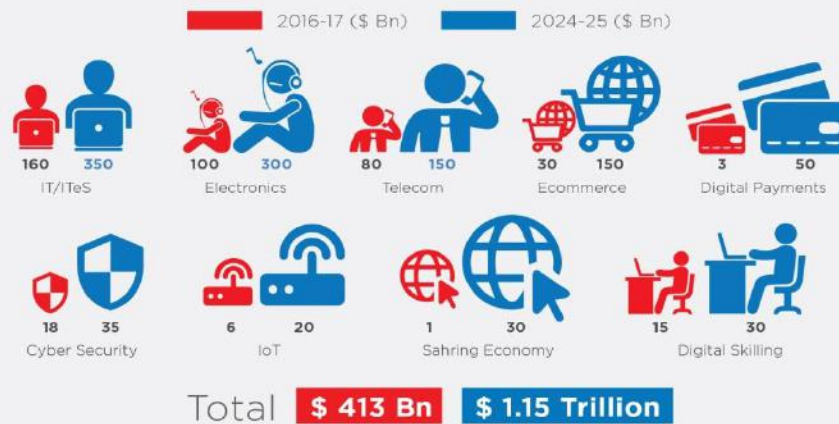
Source: Make in India, Times of India, Economic Times

Digital India

India has chartered a unique path to digitisation and its impact is inclusive, empowering and transformative. It is emerging as a hub for 'Digital Skills'. The Digital India initiative was established as a flagship program to transform India into a digitally empowered society and knowledge economy. The Campaign envisages a \$ 20 billion investment covering mobile connectivity throughout the country, re-engineering of government process via technology and enabling e-delivery of citizen services.

The initiative rests on the premise that the digital delivery of information and services and enabling digital access to government and the economy is key to improving the life of all Indians. Digital transformation can empower unserved and underserved segments and create \$ 1 trillion dollar of economic value in 2025, sustaining 55-60 million jobs.

Components of Digital Economy



Some of the major achievements of the Digital India initiative are:

- India has the 2nd largest internet subscriber base in the world with approximately 500 million users. This number is projected to increase to approximately 850 million users by 2025, which is more than the combined population of G7 countries. 75% of the new users will come from Tier 2 and Tier 3 cities.
- It is also the 2nd largest market for smartphones in the world, with approximately 456 million users till March 2018. By 2030 this is estimated to increase to 1.2 billion users.
- India boasts of the world's largest unique digital identification program Aadhar with 1.21 billion registered users till April 2018. It is world's largest biometric based digital identity.
- There has been significant growth in e-governance transactions per day from 6.46 million in 2013 to 86.8 million in April 2018.
- Bharatnet has connected 1,17,319 Gram Panchayats as on 24th June 2018.
- 10 lakh direct and indirect jobs created through Common Service Centres, especially for women, with 54000 women working in these centres.

- Indian BPO promotion scheme has been initiated for promotion of BPO/ITES operations across the country including small towns and rural areas with an outlay of about \$ 73.58 million. In its initial phase itself it is expected to create employment opportunities for around 1,45,000 people.
- Indian IT exports are growing at a rapid pace with highest ever exports of \$ 126 billion in 2017-18.
- Indian IT companies serve two-third of Fortune 500 companies and are creating 4 million direct and 13 million indirect jobs in India.
- 120 mobile phone manufacturing units set up in the last 3 years as compared to only 2 units in 2014. This has also led to the creation of 0.45 million direct and 0.3 million indirect jobs in India.

Digital India program has the potential to provide an incremental 20-30% increase in India's GDP by 2025. It is an umbrella programme that covers multiple Government Ministries and Departments. It weaves together a large number of ideas and thoughts into a single, comprehensive vision so that each of them can be implemented as part of a larger goal.

The success and brand established by the Indian software services industry needs to be leveraged with the wave of 'Made In India' technology, products and innovations.

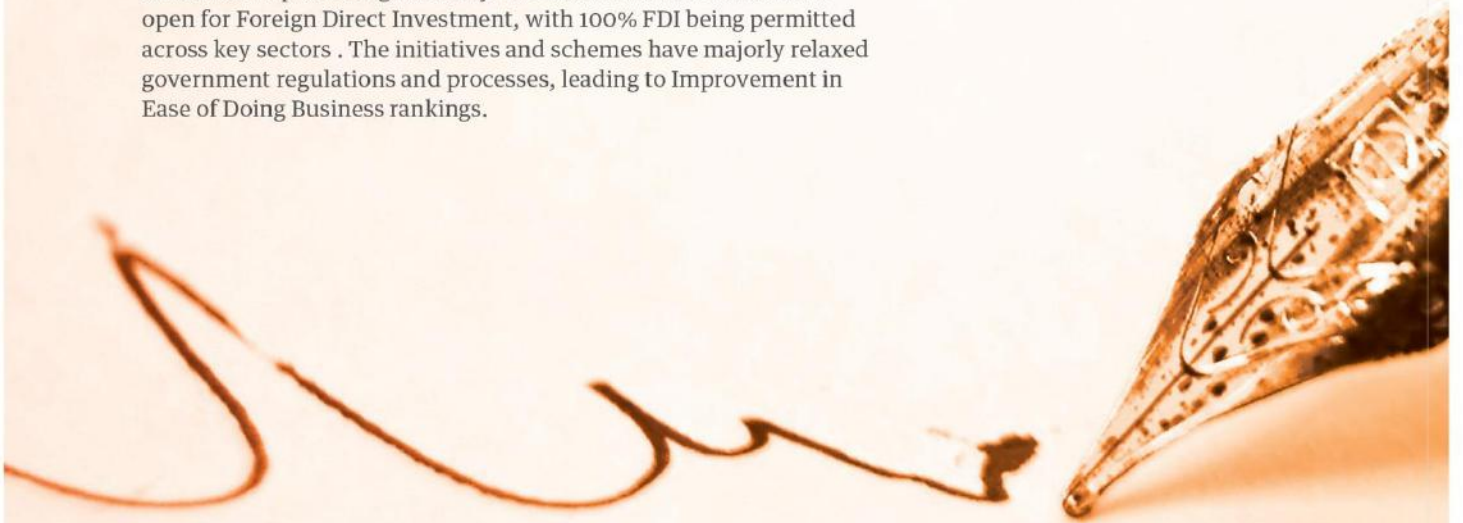
Source: Digital India, McKinsey Report, LiveMint, Economic Times, Business Standard, Times of India


Conclusion

It is a new dawn for India and currently the trend is set on IT sector, followed by infrastructure. However, the new surge in entrepreneurship, education and renewable energy will create a great impact on GDP in the next decade.

The Indian e-commerce sector is also expected to go US\$ 200 billion by 2026 from US\$ 38.5 billion as of 2017. The e-commerce industry has been directly impacting the Micro, Small & Medium Enterprises (MSME) in India by providing means of technology, marketing and giving small businesses direct presence both domestically and globally along with a favorable cascading effect on other industries as well. The Indian e-commerce industry has been on an upward growth trajectory and is expected to surpass the US to become the second largest e-commerce market in the world by 2034.

The Government initiative that has made the maximum impact on the Indian economy is 'Make in India'. GDP contribution by each sector has improved significantly. The sectors have become more open for Foreign Direct Investment, with 100% FDI being permitted across key sectors. The initiatives and schemes have majorly relaxed government regulations and processes, leading to Improvement in Ease of Doing Business rankings.





With its invigorated efforts towards an energy efficient future, India's renewable sector is attracting a lot of innovation and financial support.

The strong industrial base, rapid digitisation, young population, growing infrastructure, resilient startup ecosystem in confluence with determined Government reforms will take the Indian economy to \$10 trillion and amongst the top three in the world.

As India continues to sharpen its focus and achieve its targeted milestones across sectors, it is bound to become one of

the most lucrative markets in the world. Attracting investment and business opportunities, it is already creating an impact on the world economy.

India, today, stands at a precipice of infinite possibilities. We are hopeful that with continued impetus on growth from both the private and public sectors, India will continue to rise in its economic revolution.

Our Branches

CA Pankaj Sharma, Partner**CA Raj Rani Lakra, Partner****CA Sandeep Garg, Partner****CA Ranu Gupta, Partner**

SARC Tower, D-191,
Okhla Industrial Estate Phase-1,
New Delhi
Pin 110020
+91 11 45564301-02
Info@sarcmail.in

GREATER KAILASH**CA Dinesh Verma, Partner**

N-226, LGF,
Greater Kailash - I,
New Delhi
Pin 110048
+91 9810307182
+91 11 4173 4656
dinesh@sarcmail.in

GURUGRAM**CA Kamal Aggarwal, Partner**

300, Sector 28,
Off Golf Course Road,
Gurugram
Pin 122001
+91 9810386017
kamal@sarcmail.in

CHANDIGARH**CA Anoop Kumar Sharma, Partner**

SCO 2407-08,
First Floor, Cabin No. 2, Sector 22-C,
Chandigarh
Pin 160022
+91 9417262505
+91 72 2707513
anoop@sarcmail.in

MUMBAI**CA Rajendra Shankar Bagade, Partner**

B/1202 & 1203, Venus Tower,
Above Axis Bank Azad Nagar,
Veera Desai Road, Andheri (W),
Off Golf Course Road,
Mumbai
Pin 400053
+91 9820036070
+91 22 26 742301
rajendra@sarcmail.in

HYDERABAD**CA Venkateswara Rao Y., Partner**

Plot No. 159,
Green Park Avenue,
Medical Highway (NH -7),
Sikandrabad
Pin 500055
+91 9560661444
+91 40 2308 5133
venkateshwara@sarcmail.in

Our Branches

VIZAG

CA Chandra Sekhar Akula, Partner

49-28-13, Madhuranagar,
Visakhapatnam or Vizag,
Andhra Pradesh
Pin 530016
+91 988 557 6567
+91 891 2754479
chandra@sarcmail.in

AHMEDABAD

CA Ritesh G. Gandhi, Partner

CA Chetan G. Thakkar, Partner

308, Shail Complex,
Off. C.G. Road, Navrangpura,
Ahmedabad
Pin 380 006
+91 922 724 1234
+91 79 66611234
ritesh@sarcmail.in, chetan@sarcmail.in

NADIAD

CA Amish K. Shah, Partner

E-1, Jalsagar Apartment,
Opp. Swaminarayan Temple,
College Road,
Nadiad
Pin 387 001
+91 92274 45501
+91 268 6545501
amish@sarcmail.in

ANAND

CA Himatlal B. Patel, Partner

F/305, Kavita Shopping Centre,
Opp. G.P.O.,
Anand,
Gujarat
Pin 387001
+91 989 814 3714
+91 2692 254853
himatlal@sarcmail.in

SURAT

CA Prakash Jasani, Partner

B-402, Diamond World,
Mini Bazar, Varachha Road, Varachha,
Surat
Pin 395006
+91 8156003132
+91 2612 559 221
prakash@sarcmail.in

GORAKHPUR

CA Subal Jalan, Partner

A-28, Transport Nagar,
Gorakhpur
Pin 273001
+91 988 933 6611
+91 9310411291
subal@sarcmail.in

SARC ASSOCIATES PVT. LTD.

Sarc Tower, D 191, Okhla Industrial Estate
Phase 1, New Delhi 110020
T: +91 11 45564301-02
E: info@sarcmail.in

Sunil Kumar Gupta

Chairman
E: sunil@sarcmail.in

INDO EUROPEAN BUSINESS FORUM

Sarc Tower, D 191, Okhla Industrial Estate
Phase 1, New Delhi 110020
T: +(91) 11-45564301-02
E: info@iebf.org.in

Vijay Goel

Founder, IEBF
E: vijay@iebf.org.uk

Sunil Kumar Gupta

Leader, IEBF
E: sunil@iebf.org.in



www.sarcassociates.com | www.iebf.org.in | www.sunilkumargupta.com

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