



Confederation of Indian Industry

INDIA MEXICO

Economic Engagement
The Next Trajectory

OCTOBER 2024

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INTRODUCTION



The first Latin American country to establish diplomatic relations with India in 1950, Mexico is its close trade and investment partner. India and Mexico share ties of friendship and commonality across a wide range of issues. During the visit of Prime Minister of India Narendra Modi to Mexico in 2016, the two countries agreed to work together to elevate the Privileged Partnership relationship.

India and Mexico have set up a Joint Commission and a High Level Group on Trade, Investment and Economic Cooperation, apart from several other key agreements.

Mexico has set up INDMEX, the trade and commerce council of India and Mexico, to promote bilateral trade and investment relations.

India was the first country to send vaccines to Mexico during the Covid-19 pandemic.

Recent MoUs

MoU on Cooperation in Space, focusing on areas ranging from trade and investment to health and pharmaceuticals, 2022

Specific Cooperation Agreement between ISRO and Mexican Space Agency (AEM) of the United Mexican States on Crop Monitoring, Drought Assessment & Capacity Building, 2022

MoU between India's Council of Scientific and Industrial Research (CSIR) and Mexican Agency for International Development Cooperation (AMEXCID) on expanding the programs of cooperation and exchange, particularly in areas of research, technological development and innovation, 2023

MoU was signed between the State of Uttar Pradesh in India and the State of Nuevo Leon in Mexico for investment in tourism, infrastructure, pharma and medical sectors, 2023

India and Mexico signed a Memorandum of Understanding on research, technology and innovation collaborations with focus on several key technology areas like Aerospace, Electronics, Earth & Ocean Sciences and Water, Mining, Minerals, Clean Energy, Biotech and Healthcare, 2023

MoU signed to further cooperation in the lithium sector for the development of lithium reserves for electric mobility, 2023



Economic Overview

Economy of India

India's Growth Story: Resilient and Multifaceted

The Indian economy is one of the fastest growing and most dynamic in the world. India is the world's fifth largest economy with a nominal GDP of USD 3.7 trillion and a GDP growth rate of 8.2% for 2023-24.

Key Data

IMF forecast – 7% for 2024-25 due to improved prospects for private consumption in rural areas

Population - Over 1.4 billion people

Median age - 29 years

Growth in manufacturing and construction - 8.4%, Q1 2024-25

Public capital expenditure target - INR 11.11 trillion (3.4% of GDP) for 2024-25

India has a well-balanced economy, with a mix of agriculture, industry, and services

India is the largest producer of milk, pulses, spices, and cotton and the second largest producer of wheat, rice, fruits, and vegetables

The country has a strong industrial base in sectors such as textiles, chemicals, pharmaceuticals, automobiles, and information technology

India is the largest producer of generic drugs in the world with pharmaceutical exports rising by 9.6% in 2023-24

The services sector is one of the fastest growing in the world with the country being the largest exporter of IT services in the world. The sector expanded by a robust 7.2% in Q1 2024-25

India has a large and growing consumer market, with a rising middle class and increasing disposable income

India has more than 1.2 billion mobile phone users, almost 820 million internet users, and more than 300 million online shoppers

Exports of goods and services surged by 9.5% in Q1 2024-25 as compared to Q1 2023-24. The country also recorded its highest ever goods and services exports at USD 777 billion in 2023-24

India has received about USD 695 billion foreign direct investments between April 2000 and June 2024. In the April-June 2024 quarter, over USD 16 billion was received, an increase of 48% over the same period the previous year

India is a nuclear power and has one of the world's largest space programmes and achievements such as launching satellites, sending missions to the moon and Mars, and developing indigenous rockets and missiles

As per CII calculations India's economy is projected to reach USD 32 trillion by 2047, driven by significant growth in key sectors. The manufacturing sector is expected to expand to USD 6.2 trillion, while exports of goods and services are predicted to surge to USD 8 trillion.



Economy of Mexico

In a post pandemic world, the Mexican economy has navigated well through heightened uncertainty, and it is the 2nd largest economy in Latin America and the 12th largest in the world with a GDP of USD 2.02 trillion.

It benefits significantly from its proximity to the United States and through the United States-Mexico-Canada Agreement (USMCA). It is also a member of the Asia-Pacific Economic Cooperation (APEC), the G20, and the Organization for Economic Cooperation and Development (OECD).

Mexico is rich in natural resources, contributing significantly to its economy and global trade. The world's largest producer of silver, it has substantial gold, copper, zinc and lead deposits.

Mexico is one of the top oil producers globally. It also has extensive natural gas reserves.

Mexico's exports stood at USD 649 billion in 2023, while imports came in at USD 674 billion. Its major exports are automotives, machinery, fuels, steel, electrical equipment, chemicals, food products, and petroleum and petroleum products.

The country relies significantly on its trade relationship with the United States accounting for 77% of its exports. Other key export destinations include Canada, China, Germany, Brazil and Japan. Its main import partners are the US and China.

Mexico has many free trade agreements countries including USMCA, European Union, European Free Trade Area, Japan, Israel, 10 countries in Latin America, and the 11-country Comprehensive and Progressive Agreement for Trans-Pacific Partnership.



India's Recent Economic Policies



Laying the Groundwork for Economic Growth

The Indian growth story stands out for its remarkable resilience amidst a challenging global environment. Supported by a strong reform agenda and robust policy initiatives, the Indian economy continues on an upward growth trajectory, keeping pace with evolving trends.

The Government's 'Aatmanirbhar Bharat' (self-reliant India) initiative is a comprehensive set of reforms to boost the economy's productive potential and consolidate India's position as a key player in the global economy. The extensive measures in the package aim to create a future-ready India, while building resilience and fostering inclusive economic growth.

Union Budget 2024-25

An inclusive growth agenda was the focus of India's Union Budget for 2024-25, which focused on all round-development of the economy with measures that would generate economic opportunities for all including the poor, women, youth, and farmers.

The Budget laid emphasis on priority areas including employment, manufacturing, agriculture, urban development, and energy security.

12 industrial parks to be developed	Enhancement of credit for Micro, Small and Medium Enterprises (MSME)
Critical Minerals Mission announced for domestic production, recycling and overseas acquisitions	Programme for solar power for 10 million households
Operationalisation of Anusandhan National Research Fund for basic research and prototype development	Financing pool of INR 1 trillion for private sector research and innovation
Venture capital fund of INR 100 billion for space economy	Angel tax for all classes of investors abolished

Corporate tax rate on foreign companies reduced from 40% to 35%

Ease of Doing Business

Under the Business Reform Action Plan (BRAP) for ease of doing business, State Governments & Union Territories are assessed on more than 300 reforms covering various business regulatory areas including Single Window System, land administration, utility permits, etc.

The National Single Window System (NSWS), a one-stop-shop for investors, facilitates various Central and State/UT approvals and clearances. As of November 2023, the NSWS Portal successfully processed over 255,000 approvals.

The India Industrial Land Bank (IILB) helps investors across the country to identify their preferred location for investment through a Geographic Information System (GIS) database of industrial areas.

The portal provides access to information on over 4500 industrial parks, mapped across 600,000 hectares of land with accurate, real-time updates on all industrial infrastructure related information.



Infrastructure

Building a Strong Foundation

A slew of infrastructure initiatives, with a strong focus on transforming the transport and logistics sectors, along with the allocation of INR 11.11 trillion for capital expenditure in the Union Budget, has had a strong multiplier effect across the Indian economy.

The Prime Minister Gati Shakti Plan aims to develop a multi-modal network by leveraging a comprehensive GIS based technology platform for effective implementation of infrastructure projects

The National Monetisation Pipeline (NMP) was announced in 2021 for attracting private sector investments with an aggregate monetisation potential estimated at INR 6 trillion over the four-year period from FY22 to FY25

The National Infrastructure Pipeline (NIP) comprises both brownfield and greenfield infrastructure projects above INR 10 billion across sectors. NIP has expanded to 9,936 projects, with current total project cost at USD 2113 billion

The National Bank for Financing Infrastructure and Development (NaBFID) catalyzes long term infrastructure financing



Manufacturing

Achieving Excellence

Indian manufacturing is poised to be one of the fastest growing sectors with significant manufacturing activity expected to increase across sectors. The sector contributes more than 17% to Indian GDP driven by robust performance of key sectors such as automotive, engineering, chemicals, and pharmaceuticals, among others.

Manufacturing is diversifying into higher value-added production of goods such as auto components, specialty chemicals, engineering goods and electronics

Production Linked Incentive schemes have been announced in 14 key sectors

The aims to provide financial support to companies investing in semiconductor, display manufacturing and design ecosystem. More than USD 10 billion has been approved for development of semiconductors and display manufacturing ecosystem in India

The Indian manufacturing sector is poised to reach USD 1 trillion by 2025-26

The highest FDI inflows in manufacturing are in the sectors of automotives, pharmaceuticals, chemicals and computer hardware

An e-vehicle (EV) policy has been introduced for setting up manufacturing plants in India with a minimum investment of USD 500 million



Innovation

Exploring New Avenues of Growth

India has emerged as a global hub for research and development and is the third largest startup ecosystem in the world. With India's massive pool of young entrepreneurial talent, strengths in technical skills and a vibrant start up ecosystem, India has the potential to become a global leader in research and innovation.

India improved its position to 39th in the Global Innovation Index (GII) in 2024 as one of the top innovative economies in the world. India achieved the 7th position in global rankings in the Resident Patent Filing activity indicator.

The Startup India Initiative offers financial and infrastructural support to Indian startups, provides mentorship and advisory assistance and helps startups network, among others.

More than 148,000 Government recognized startups are functional in India.

India's Digital Public Infrastructure (DPI) has been globally recognized as a platform for financial inclusion, fintech systems, welfare distribution, and identity, among others. As of 2023-24, digital payments had increased to INR 186 billion at a CAGR of 44%.

India's UPI (Unified Payments Interface) for digital payments is operating in UAE, Bhutan and Singapore, while it is live in Nepal, Mauritius, France and Sri Lanka. RuPay cards are accepted in several countries as well.



Bilateral Trade and Investments

Mexico is the 31st largest trading partner of India and India and Mexico bilateral trade has grown over the past five years reaching a total of over USD 8.4 billion in 2023-24.

Bilateral Trade

India-Mexico Bilateral Trade: 2019-20 to 2023-24, USD billion



Total trade between India and Mexico has grown from USD 7.9 billion in 2019-20 to over USD 8.4 billion in 2023-24 with an average growth rate of 1.6% Compound Annual Growth Rate (CAGR) over the past five years.

Indian exports to Mexico grew from USD 3.6 billion 2019-20 to over USD 5.3 billion in 2023-24, or at a rate of 10.1% CAGR over the five-year period.

India's trade balance with Mexico was approximately USD -0.7 billion in 2019-20 but became more favourable at USD 2.2 billion in 2023-24 as imports from Mexico have decreased.



India's Top Exports to Mexico in 2023-24, USD million

HS Code	Commodity	Exported Value (USD million)
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof.	1697
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	521
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts.	509
29	Organic chemicals	337
76	Aluminium and articles thereof	302
72	Iron and steel	236
30	Pharmaceutical products	212
73	Articles of iron or steel	176
69	Ceramic products	142
39	Plastic and articles thereof	118

Source: Ministry of Commerce and Industry, Government of India

The top Indian export to Mexico in 2023-24 was vehicles (HS 87) with an exported value of approximately USD 1.7 billion. This was followed by exports of machinery and mechanical appliances at USD 521 million. Other large export categories from India to Mexico include electrical machinery, organic chemicals, and aluminum, among others.

India's Top Imports from Mexico in 2023-24, USD million

HS Code	Commodity	Imported Value (USD million)
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	1873
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts	442
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	211
71	Natural or cultured pearls, precious or semiprecious stones, precious metals, clad with precious metal and articles thereof; imitation jewellery; coins	143
29	Organic chemicals	78
32	Tanning or dyeing extracts; tannins and their derivatives. Dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks	75
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	48
72	Iron and steel	37
90	Optical, photographic cinematographic measuring, checking precision, medical or surgical instruments. And apparatus parts and accessories thereof;	33
39	Plastic and articles thereof	31

Source: Ministry of Commerce and Industry, Government of India

The top Indian import from Mexico is mineral fuels with an imported value of approximately USD 1.9 billion. This is followed by electrical machinery with an imported value of USD 442 million. Other top imports of India from Mexico include machinery and mechanical appliances, natural or cultured pearls, and organic chemicals.

Investments

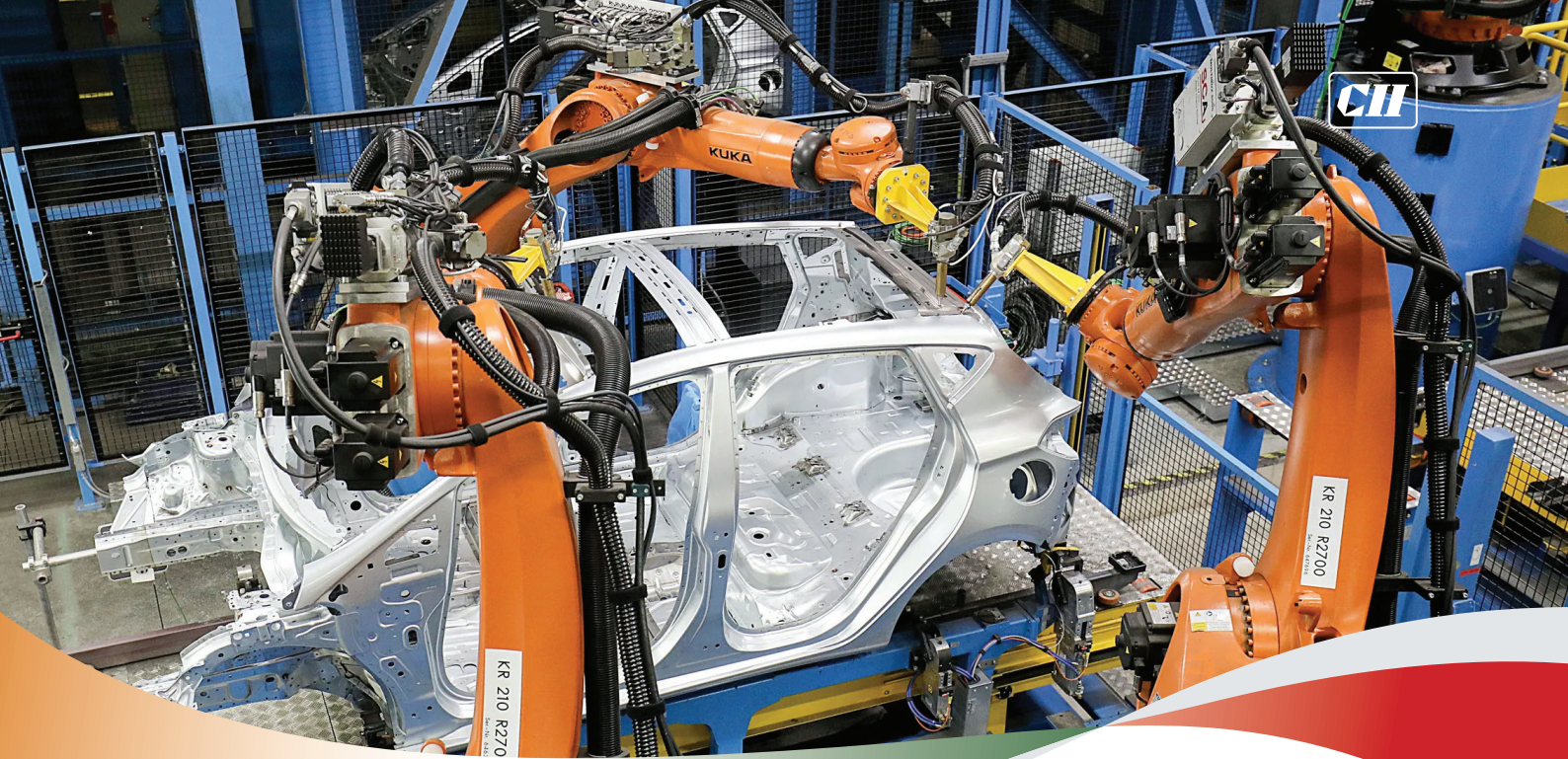
Indian Investments in Mexico

Over 200 Indian companies have presence in Mexico with a cumulative investment total of USD 4 billion as of March 2024. The sectors of Indian industry with the greatest presence in Mexico are the information technology, pharmaceuticals, and automotive sectors. Indian companies with a major presence in Mexico include the top companies in the IT sector, pharma companies, automotive producers and food processing, among others.

Mexican Investments in India

Cumulative investments from Mexico to India amounted to approximately USD 331 million between April 2000 and June 2024. Mexico is the 43rd largest foreign direct investor (FDI) in India. Major Mexican companies have a presence in India including Cinépolis, Softtek, and Metalsa.

SECTORS OF OPPORTUNITY



Automotive

India has a significant presence in the global automotive industry as the country is the leading tractor manufacturer and the third-largest bus manufacturer. It produced 28 million vehicles in 2023-24 including two-wheelers and three-wheelers. The sector generates 37 million jobs and accounts for 40% share in global research and development. Total FDI equity inflow in the automobile industry amounts to USD 36 billion from April 2000 to June 2024.

To bolster the EV industry, the PM E-Drive Scheme has been launched. With 100% FDI permitted in the sector through the automatic route, India aims for 30% electrification of new vehicles sales in 2030.

For Mexico, the automobile industry accounts for 3.6% of the country's GDP and 18% of manufacturing GDP while also providing employment to more than one million people. With approximately 3.5 million vehicles annually, the country is the seventh largest passenger vehicles manufacturer and fifth largest manufacturer of heavy-duty vehicles.

Potential Cooperation Areas

Parts of medium and heavy-duty commercial vehicles

Promoting clustered manufacturing of auto inputs

Electrification of heavy-duty vehicles

Setting up infrastructure for EV charging stations

Deeper integration of AI, machine learning, and big data in automotive industry

Fostering market for inputs and parts of EVs post their initial sale

Electric 2-wheelers and 3-wheelers manufacturing in India



Information Technology (IT) and IT-Enabled Services

The technology industry of India amounts to USD 245 billion in 2022-23 with the country excelling in AI skill penetration. India ranks 5th in AI scientific publications. The computer software and hardware sector attracted USD 105 billion cumulative equity inflow from April 2000 to June 2024 accounting for 15% of total FDI equity inflow.

In terms of digitization, India is the world's second fastest growing market with more than 1580 Global Capability Centre (GCCs) deploying a competitive human capital of more than 1.66 million.

The IT industry of Mexico expanded by 19.5% in 2021 and by a robust 9.5% in 2022. The country also has a significant mobile application market with more than 5 billion downloads with consumer spending of more than USD 711 million in 2022.

According to the National Institute of Statistics and Geography (INEGI) of the Mexican Government, there are more than 43 million computer users and almost 93 million internet users in Mexico. The country digitization strategy is driven by the National Digital Strategy that promotes the use of modern technology to boost productivity.

Potential Cooperation Areas

Deeper 5G penetration and initiating research in 6G technology

Mitigating risk through cybersecurity collaboration especially security services

Bolstering India's mobile application market

Boosting manufacturing productivity through AI driven solutions

Digital payment mechanisms for Mexico's e-commerce industry

Global Capability Centers

Automation and cloud-enabled solutions





Pharmaceuticals and Healthcare

India's hospital industry is poised to become an INR 18 trillion industry by 2026–27 given the significant public expenditure and robust contribution from the private sector as well. The telemedicine market is expected to reach USD 5.4 billion by 2025 at a CAGR of 31%. The healthcare industry of the country constitutes hospitals, e-health, medical equipment, among others while also integrating the use of robotics to boost productivity.

The Drugs and Pharmaceutical industry of the country received cumulative equity inflow of USD 22 billion from April 2000 to June 2024 with exports of USD 27 billion in 2023–24. India has the second largest number of USFDA approved pharma companies.

According to the Government of Mexico, medical devices, equipment, and instrument sector is expected to reach a market size of USD 30 billion in 2023 with estimated export value of USD 7 billion. The country is the world's 15th largest market for pharmaceuticals and ranks 2nd in Latin America with almost 400 laboratories.

Potential Cooperation Areas

Digitisation of processes and procedures

Research in advanced technologies

Production of medical equipment for third markets

Biotechnology and research in biomedical sciences

E-health services such as telemedicine and healthcare mobile applications

Fostering biotech startups

Training programs for healthcare professionals

Promoting health tourism exchange





Agri-tech and Food Processing

The Agriculture and allied sector account for almost 18% in India’s Gross Value Added (GVA) in 2022–23 exporting goods worth USD 51 billion in 2022–23. The food processing industry received almost USD 12 billion in FDI equity inflow from April 2000 to June 2024 with the share of processed food exports in agricultural exports almost doubling from 13.7% in 2014–15 to 25.6% in 2022–23.

Mexico’s agriculture, forestry, and fishing sector produced USD 70 billion in terms of value added in 2023 as per World Bank data. It is a key producer of corn, sugarcane, maize, oranges, avocado and other fruits and vegetables. In 2023, it exported about USD 42 billion of agricultural goods and imported USD 32 billion with the US as the major partner.

Potential Cooperation Areas

Setting up of localised spice processing facilities in Madhya Pradesh, Rajasthan, and Gujarat

Modern mechanized agricultural inputs

Food processing especially ready to eat products

Packaging technology and cold storage facilities

Joint research in agri-tech and training programs for farmers

Oil seeds cultivation and processing facilities

Food and agribusiness plants in India



Textiles and Apparel

With a global share of 4% in trade of textiles and apparels, India is the largest consumer and producer of cotton in the world. The sector accounts for 2.3% of India’s GDP and 12% to exports. The country is also the largest producer of jute and 2nd largest producer of silk in the world. India is positioning itself to reach USD 250 billion textiles production and USD 100 billion exports by 2030.

Mexico is a major producer and exporter of textiles products with exports of textiles and clothing amounting to USD 9 billion in 2022. Textiles and apparel is the country’s fourth largest manufacturing industry. Mexico largely produces cotton denim fabrics and products such as synthetic fibers, non-woven fabrics, and coated plastic fabrics, among others.

India’s textiles exports amount to USD 34 billion in 2023-24 with exports to Mexico amounting to USD 376 million.

Potential Cooperation Areas

Textile manufacturing	Garments production, design and quality	Technical textiles in automobile, construction and space industry
Innovative franchising models in India	Use of non-woven fibers in construction and manufacturing	Research in recycling and circular use of dyes and chemicals
Joint planning in quality controls and defect planning		



Tourism and Hospitality

India's tourism and hospitality sector is a vital economic sector that contributes to the country's GDP and provides employment.

In 2023, the tourism and hospitality sector contributed over USD 231 billion to India's GDP, and is expected to increase to USD 523 billion by 2034. The hospitality industry is projected to grow at a compound annual growth rate (CAGR) of 10.5% over the next three years.

Known for its natural beauty, Mexico is the most sought-after destination in Latin America. Tourism has been a vital component of the Mexican economy and has played a significant role in its development and growth. In recent years, Mexico has been at the forefront of the tourism industry, leading Latin America in the development of tourism-related trade.

The hospitality sector in Mexico accounts for a significant portion of the country's GDP and is expected to register a CAGR of greater than 5.5% during 2024-2029.

Potential Cooperation Areas

Promoting bilateral tourist travel

Improved air connectivity

Investing in hotels and hospitality sector

Skill training and language training

Food and beverages for tourists

Investing in tourism facilities and infrastructure in popular tourist zones

Promoting eco-tourism



MSME

Micro, small, and medium enterprises (MSMEs) play a catalytic role in India’s growth story. India is home to 63 million MSMEs which account for over 36% of its manufacturing output and over 45% of its exports.

The Indian MSME sector is projected to grow to USD 1 trillion by 2028.

MSMEs encompass a wide gamut of investment opportunities across various sectors and industries, including but not limited to textiles, food processing, agriculture, and more. MSMEs also offer the opportunity to invest in enterprises beyond metropolitan cities. Investors can capitalise on the potential of the rapidly expanding rural MSMEs catering to an accelerating consumer base, disposable incomes, and a vibrant domestic market.

Similarly in Mexico, MSMEs form the cornerstone of the country’s economy. They comprise 98.7% of all private companies in the country, contributing approximately 52% to the Gross Domestic Product (GDP), and generating 72% of employment.

Potential Cooperation Areas

Promoting MSME products at trade fairs, expos and B2B meetings

Creating special funds for financial assistance and building on the already existing MoU between India and Mexico

Furthering partnerships between National Institute of Entrepreneurship (INADEM) with its counterpart in India

Opportunities in investment and joint ventures

Promoting exchange of technology and fostering digital transformation

Skill development and training

Collaborating for financial aid to MSMEs in both countries



Education

The education sector in India is estimated to be worth USD 117 billion and is expected to reach USD 313 billion by FY30. India has one of the largest networks of higher education in the world and is rapidly becoming an edtech capital of the world.

India's National Education Policy 2020 was a milestone in its education sector. It focused on not only curricular changes but also building strong foundational skills. It promotes internationalisation through collaborations and exchange programs between India and other countries.

India and Mexico have a bilateral Academic Exchange Program (AEP). Mexico offers Indian students 6 scholarships for post graduate education in Mexico.

Potential Cooperation Areas

Collaborations between institutions like CINEVESTAV, funded by the National Council for Science and Technology (CONACYT) and Indian universities for scholarships

Partnerships and collaborations between universities in both regions including student and faculty exchange programs

Joint R&D initiatives and cooperation in the field of STEM

Furthering MoUs similar to the one signed between Devi Ahilya Vishwavidyalaya (DAVV) with a Mexican University in 2024

Cooperation in Edtech and digitalising the sector



Oil and Gas

India is the 3rd largest energy and oil consumer in the world, and the 4th largest importer of liquefied natural gas (LNG). The oil and gas sector plays a major role in India's economy. According to DPIIT, FDI inflow in India's petroleum and natural gas sector stood at USD 8.19 billion between April 2000–March 2024.

Mexico is one of the largest oil producers in the world and the fourth largest in the Americas after the United States, Canada, and Brazil. Oil is a crucial component of Mexico's economy.

In 2022, Mexico ranked 13th globally in crude oil production, 21st in crude oil reserves, 16th in refined capacity, and fifth in logistics infrastructure. In 2022, the United States imported over 637 million barrels of Mexico's heavy crude and exported over 1.8 billion barrels of refined petroleum products to Mexico, which was more than 72 percent of Mexico's domestic gasoline, diesel, natural gas, and jet fuel consumption.¹

In 2023, Mexican export of crude oil was 64% of its total exports to India.

¹<https://www.trade.gov/country-commercial-guides/mexico-oil-and-gas>

Potential Cooperation Areas

Collaboration in Exploration and Production (E&P) sector offers investment opportunities worth USD 100 billion by 2030

Collaboration to increase bilateral trade of oil to ensure energy security, as Mexico looks for stable export markets and India aims to diversify its energy supply chain

Collaboration in sharing and transfer of technology, particularly in areas like enhanced oil recovery (EOR), offshore drilling, and natural gas processing

Pipeline and Infrastructure development

Energy transition initiatives, which would include joint research on sustainable energy practices, energy efficiency in oil and gas operations, and the development of carbon capture and storage (CCS) technologies





Financial Sector

India has a robust Banking, Financial Services, and Insurance (BFSI) sector with approximately 137 scheduled commercial banks and 9,516 non-banking financial companies. As of 2024, Indian public banks have approximately USD 1,862 billion in assets and Indian private sector banks have approximately USD 1264 billion in assets under management. India also has a robust financial technology (fintech) sector with more than 2,000 DPIIT-recognised fintech companies operating in India.

Mexico also has a robust BFSI sector with 48 banks operating in Mexico's banking sector. The sector is widely diversified with a range of financial instruments available for private sector. The fintech sector includes about 650 startups operating in the areas of lending, financial management, property, etc.

Potential Cooperation Areas

Expansion of Indian banks to Mexico
and Mexican banks into Indian markets

Standardising cross border
payment guidelines

Fintech

Green finance

Insurance products



Startups

India has the third largest start-up ecosystem in the world with over 148,000 DPIIT-recognised startups from 763 districts across India. Between 2015 and 2022, the Indian startup ecosystem witnessed 15x increase in startup funding, 9x increase in the number of investors, and 7x increase in the number of incubators.

Mexico has the second largest startup ecosystem in Latin America with venture capital investment in Mexican startups growing by 4x since 2017. The number of startups in Mexico has grown by 16% annually since 2010 led by beauty and wellness startups with a growth rate of 31% and transportation and mobility with a growth rate of 22% over the same period.

Information technology startups comprised the greatest share of startup distribution with a 26% share, which is followed by financial services and business services startups with an 11% and 10% share respectively.

Potential Cooperation Areas

Startup bridge

Joint funding mechanism for startups in critical areas

Mobility agreement for easier movement of founders between India and Mexico

Environmental and climate tech summit to promote clean energy and technology innovations and businesses

Streamline regulations for easier entry into Indian and Mexican markets for startups



Summing up

India and Mexico are large and vibrant economies that are addressing the global markets. Their collaboration in manufacturing, services, infrastructure, energy and digitalisation will be further deepened and expanded through robust private sector engagement. The businesses of both sides can work together to develop trade and investment that will strengthen and diversify global value chains and foster new technological cooperation.



NOTES

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Confederation of Indian Industry

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering Industry, Government and civil society, through advisory and consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, with around 9,000 members from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 365,000 enterprises from 294 national and regional sectoral industry bodies.

For more than 125 years, CII has been engaged in shaping India's development journey and works proactively on transforming Indian Industry's engagement in national development. CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness, and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Through its dedicated Centres of Excellence and Industry competitiveness initiatives, promotion of innovation and technology adoption, and partnerships for sustainability, CII plays a transformative part in shaping the future of the nation. Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes across diverse domains including affirmative action, livelihoods, diversity management, skill development, empowerment of women, and sustainable development, to name a few.

For 2024-25, CII has identified "Globally Competitive India: Partnerships for Sustainable and Inclusive Growth" as its Theme, prioritizing 5 key pillars. During the year, it would align its initiatives and activities to facilitate strategic actions for driving India's global competitiveness and growth through a robust and resilient Indian industry.

With 70 offices, including 12 Centres of Excellence, in India, and 8 overseas offices in Australia, Egypt, Germany, Indonesia, Singapore, UAE, UK, and USA, as well as institutional partnerships with about 300 counterpart organizations in almost 100 countries, CII serves as a reference point for Indian industry and the international business community.

Confederation of Indian Industry

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