



# Building India together



**Chandrajit Banerjee**

BILATERAL economic relations between India and Germany are growing at a rapid pace and German companies have made deep inroads into India. Over 1500 German companies are already "Making

in India". Many more are interested in setting up a manufacturing base to cater to not only the Indian market but also to connect India to Global Value Chains. A few examples include:

Automobiles and auto parts where companies such as Volkswagen, Mercedes Benz, BMW, Audi, FAG and ZF have successfully penetrated the Indian market.

Industrial Machinery, Equipment and Tools where companies such as Siemens, KSB Pumps, Wirtgen Group have made significant investments in India.

Chemicals where companies such as Bayer, BASF and Lanxess have grown.

Defense and Aerospace where companies such as Thyssen Aerospace, EADS

have already entered this space in India.

Financial Services where Bajaj Allianz, Apollo Munich, Deutsche Bank and HDFC Ergo have become household names today.

Logistics where German companies such as DHL Deutsche Post, Lufthansa Cargo have set up base in India to tap into the rapidly expanding logistics sector.

Research and Development where Bayer CropScience, BASF and Mercedes Benz have set up R&D centers in India.

Software and IT services where companies such as SAP have invested heavily.

There are other areas where German companies can invest. Six have been highlighted below.

The first is area is Start-ups. We feel that German technology companies can explore the vibrant new start-up environment in India. Second, Advanced Manufacturing. Sectors such as Industrial Automation and Robotics, Automotive and Pharmaceuticals will provide good opportunities for companies from Germany to invest. Third, there is a need for broader and deeper cooperation between India

and Germany in fields of science and technology, R&D and frugal engineering. Fourth, German companies can take advantage of the opportunities presented by India's focus on Renewable energy especially solar

Fifth is the area of Smart Cities. Siemens has signed a MoU with CII, under the CII National Mission on Smart Cities, to form a consortium that would create pilots projects to design smart cities and replicate them throughout the country. 9 other German companies have already joined this German Consortium - ATOS, Bosch, Shapoorji Pallonji, WABAG, Siemens, AECOM, McKinsey, Dorsch Gruppe, Deutsche Bank and KfW Apex Bank. Sixth, German companies are already investing in skills development in India and a more can be done. Companies like Bosch, ABB, Siemens are taking over ITIs for providing state-of-the-art vocational training in areas like Robotics, Electricals, Automation & Drives etc.

—Author is Director General, CII