

Country Dossier

Germany

2025





Country Dossier – Germany

German companies in India are optimistic about improving sales and increasing profits over the next five years. Over 1,600 Indo-German collaborations and 600 joint ventures are represented in the Indian marketplace. Germany is the 9th largest investor in India, with cumulative FDI inflows of USD 14.89 billion from April 2000 to September 2024. Around 1,800 German companies operate in India, creating thousands of jobs and emphasising Germany's interest in benefiting from Indian talent. Key investment areas have been transportation, electrical equipment, metallurgical industries, the services sector, chemicals, construction activity, trading, and automobiles.

Sectoral Synergies



Automotive

- The Government of India has launched the PM E-DRIVE scheme with a budget of USD 1.30 billion. The scheme aims to accelerate the adoption of electric vehicles (EVs), establish robust charging infrastructure, and foster a strong EV manufacturing ecosystem in the country.
- According to officials from the Ministry of Heavy Industries (MHI), the initiative is aligned with the interim budget's emphasis on eco-friendly transportation. The scheme will offer incentives for EV purchases and support expanding charging infrastructure nationwide.
- Under phase-II of the FAME India Scheme, a subsidy amounting to USD 696.8 million was awarded to EV manufacturers to sell 13,41,459 electric vehicles.
- ZF Group has announced plans to increase its sourcing of materials from India by 2030 to USD 2 billion for selling to local and international markets.
- BMW Group and Tata Technologies establish BMW TechWorks India – a joint venture to drive automotive software and business IT innovations.
- Mercedes Benz will make an investment of USD 360.14 million in Maharashtra. This investment is expected to create employment opportunities in the state.
- Skoda Auto Volkswagen India Pvt. Ltd. (SAVWIPL) is set to invest USD 185 billion in establishing an electric vehicle (EV) manufacturing plant in Chakan, Maharashtra.
- Foxconn's acquisition of a 50-percent stake in ZF Chassis Modules GmbH achieves a 50-50 partnership, which was agreed upon on July 24, 2023, and approved by regulators. The new joint venture, ZF Foxconn Chassis Modules, is central to both shareholders' future strategies.
- Renault-Nissan will invest USD 600-700 Million In Making India an export hub. Renault-Nissan aims to manufacture multiple powertrains, including those for hybrid cars, in India.

Sectoral Synergies



Manufacturing

- German companies plan to ramp up their investments in India, focusing on local manufacturing and tapping into the country's expanding economy. Over the past five years, Germany has invested approximately USD 16 billion in Indian companies.
- Maschinenfabrik Reinhausen GmbH (MR) has acquired all remaining shares of Easun-MR Tap Changers (Pvt.) Ltd. (EMR), a former joint venture company operating for almost 30 years in India. EMR is now a wholly owned subsidiary of MR, and it has not changed its independent market task.
- On June 30, 2024, the Pioneer Group of Industries was acquired by Linhardt for an undisclosed amount. The acquisition further expands Linhardt's global market leadership in high-quality aluminum tubes for the pharmaceutical industry, strengthening and relieving the existing Linhardt Group locations.
- REHAU Group, headquartered in Germany, is a global leader in polymer product solutions. It acquired a majority stake in Chennai-based RED STAR Polymers Pvt Ltd. through foreign direct investment (FDI) from its Switzerland entity, M/s REHAU VERWALTUNGSZENTRALE AG.
- ICIG has successfully closed the acquisition of a majority stake in Vasant Chemicals, a renowned Indian company specializing in producing Specialty Chemicals and Pharmaceutical Intermediates. The company is set to be integrated into the WeylChem Group, ICIG's Fine Chemicals platform.
- Siemens AG plans to increase the capacity of its gas-insulated switchgear factory by around 23 percent, for an investment of INR 39 million, to manufacture around 22,000 feeders from its Ring Main Unit and 1,500 panels from its medium-voltage gas-insulated switchgear manufacturing unit.

Sectoral Synergies



Renewable Energy

- India – Germany Platform for Investments in Renewable Energies Worldwide was launched at the RE- INVEST 2024. The platform supports India’s ambitious target of achieving 500 GW of renewable energy capacity by 2030.
- Germany has allocated over USD 1 billion for various projects in India this year, focusing on renewable energy, urban development, and sustainable agriculture.
- KfW is financing a wide range of projects to support India's energy transition on behalf of the German Federal Government. KfW’s unit plans to double its investment in India to USD 1 billion over the next few years.
- Fourth Partner Energy secured USD 275 million from IFC, ADB, and DEG to expand its renewable energy portfolio to 3.5 GW by 2026. The investment will support new projects in Maharashtra, Uttar Pradesh, Tamil Nadu, and Gujarat.

Sectoral Synergies



Defence

India has requested Germany to invest in the Indian defence production sector and help build resilient supply chains. The new opportunities in defence production include investments in the two defence industrial corridors of Uttar Pradesh and Tamil Nadu. India has set up two defence industrial corridors at Lucknow and Chennai, which will attract total investments of USD 24 billion by the year 2024-25 to develop a domestic supply chain and strengthen the military equipment manufacturing ecosystem in the country. Defence and security have emerged as core areas of the India-Germany strategic relationship. The two countries conducted their first-ever joint air exercises, marking a significant step in defence cooperation.

- German Thyssenkrupp is one of two bidders to have partnered with Indian firms to build six conventional submarines in India in a deal estimated to be worth USD 5 billion. The German shipbuilder, ThyssenKrupp Marine Systems, has joined hands with the Indian Mazagon Docks Ltd (MDL) and submitted a bid for Project 75 'T' (India) to build six conventional submarines with its latest AIP technology.
- German defense electronics leader Hensoldt has reinforced its strategic commitment to India, signing two major agreements with Indian firms at Aero India 2025 for localized sensor and radar technology production. Hensoldt's agreement with Samtel Avionics, will establish a co-production facility for airborne sensor solutions in India. Hensoldt has also signed an MoU with Raphe mPhibr, producing Unmanned Aerial Vehicles (UAV), to co-develop an advanced landing aid radar based on Multiple-Input Multiple-Output (MIMO) technology.
- Avendus Capital advises Thyssenkrupp AG on divesting its Indian electrical steel business for USD 472 million. ThyssenKrupp AG, one of the top global diversified industrial groups, has signed definitive agreements with the Indo-Japanese consortium of JSW Steel and JFE Steel to divest a 100% stake in its Indian entity, ThyssenKrupp Electrical Steel India Private Limited.

Sectoral Synergies



IT Consulting and Outsourcing

- Germany announced a 'skilled labour mobility strategy' to recruit 90,000 skilled persons annually from India for white-collared and blue-collared jobs.
- NTT DATA Business Solutions AG, a company of NTT DATA and a leading global IT service provider focused on the mid-market and SAP, announces the acquisition of a majority stake in ProvenTech Pvt Ltd at an undisclosed value.
- Qure.ai raised USD 65 million of Series D venture funding in a deal led by Lightspeed India Partners and 360 ONE on 23 September 2024.
- German software giant SAP is significantly expanding its workforce in India, aiming to make it its largest employee hub. SAP CEO Christian Klein announced that India will house SPA's biggest workforce, surpassing even its German headquarters.



Services

- Allianz SE entered into binding share purchase agreements with Bajaj Finserv Ltd. to sell its 26% stake in its successful non-life and life insurance joint ventures – Bajaj Allianz General Insurance Company and Bajaj Allianz Life Insurance Company – to the Bajaj Group for a total consideration of USD 2.8 billion.
- Deutsche Bank has infused capital in its India branch operations of USD 596 million to fund its growth plans in the country, targeting key sectors like digital transformation and sustainable finance.

Sectoral Synergies



Polymers / Plastics

- Germany-based Cirplus GmbH, a leading European platform for trading recycled-content plastics, has launched operations in the Indian market under the newly formed entity Cirplus India Pvt. Ltd.



Tourism

- GNTB India Digital Travel Knowledge Tour initiative will bring together German and Indian travel industry leaders to explore opportunities for collaboration and capitalize on the digital transformation trends shaping the market.



Pharma

- Bayer aims to expand its presence in India with new therapies and strategic collaborations.
- Sartorius will expand manufacturing capacity in India and enhance global supply chain capabilities. The company will invest in a new production line for pallet tanks used in single-use bioreactors by 2027 to meet local and global demand.

Key Representative Experience

GERMANY

Ruhamat GmbH

- India law aspects of the sale of its Chinese arm, ruhamat Automation Technologies (Suzhou) Co., Ltd., to Centurium Capital. Intra-group divestment of its India subsidiary, ruhamat Automation Technologies (India) Private Limited, to be sold to Centurium Capital upon satisfaction of specified conditions.

Alumina Industrial Company LLC

- Supply agreement for the supply of approximately 210,000 metric tons of white fused alumina to CREMER ERZKONTOR GmbH ("Cremer").

Deutsche Investitions - und Entwicklungsgesellschaft (DEG)

- Early stage series A investment in Livfin India Private Limited (Livfin).
- Equity investment into Suryodyaya Small Finance Bank.
- Investment in Annapurna Finance, a micro finance company.
- investment in Bio-Lutions, company engaged in manufacturing 100% biodegradable and sustainable packaging material and disposable tableware.
- Investment in Incred Financial Services.
- Investment in Welspun Energy holding a portfolio of renewable energy assets, and the subsequent sale of its investment to Tata Power Renewable Energy Limited.
- Investment into Ivy Health Hospitals and the subsequent sale of its investment to Marcus Health.

Investment Fund for Developing Countries, Denmark ("IFU") and DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH ("DEG")

- Financing of Polygenta Technologies an Indian plastic recycling company for USD 32.5 mn.

Tracoe Medical GmbH

- Import, sale and distribution of medical devices in India.

GERMANY

Poppe + Potthoff GmbH

- Joint venture with Lal Baba Engineering to establish a state-of-the-art manufacturing facility in India for producing mother hollows and cold-drawn tubes for the automotive sector.

Daimler AG

- Successfully represented Mercedes-Benz Group AG in proceedings for enforcement of a German arbitral award before the Delhi High Court and resisted public policy objections raised by the award-debtor.
- use of Microsoft MS365 cloud and Indian data privacy regulations.

Springer Nature Customer Service Center GmbH

- Successfully represented before the High Court of Delhi in their international tax litigation for AY 2020-21 and AY 2021-22.

Kärcher Beteiligungs

- Acquisition of Arma Products.

Korber Group

- 100% Acquisition of enVista Consulting and Innovative Technologies Services from enVista LLC, as part of Korber's global acquisition of various entities within the software as a service (SaaS).

Ipsen International GmbH

- Acquisition of 100% equity in Wespan Ipsen Private Limited, including review and finalization of transaction documents.

Heidelberg Cements AG

- Acquisition of controlling stake in panyam cements & mineral industries Ltd.



Key Representative Experience

GERMANY

Burda Druck GmbH

- All aspects of their printing joint venture with HT Media Ltd., a leading Indian publishing house, including advising on investment structuring, capital contribution, definitive documentation, negotiations and regulatory issues.

G & J International Magazines GmbH

- Licensing of content, intellectual property and know how to Outlook Publishing India Pr

GEA Wiegand GmbH

- LCIA arbitration regarding its €12 million claim (and defence of a €8 million counter claim) under a turn-key contract to design and build a bio-ethanol plant in Slovak Republic.

Bosch Limited

- Transfer of its starter motors and generators business to Robert Bosch Starter Motors Generators India, and the subsequent acquisition of the business by Zhengzhou Coal Mining Machinery Group.

Henkel AG & Co. KGaA

- Series A round of investment in Mpaani Solutions Private Limited (Mpaani). Mpaani is an Indian company providing retailers in India with business growth solutions through the use of technology and providing e-platform to customers to buy products and avail discounts provided by the retailers.





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