

Newsletter

POLITY & GOVERNANCE

INDIA-GERMANY JOINT STATEMENT



Federal Chancellor of the Federal Republic of Germany, H.E. Mr. Friedrich Merz, paid an official visit to India from 12-13 January 2026. The Chancellor was accompanied by a high-level delegation including 23 leading German CEOs and industry leaders. The Joint Statement issued reaffirmed the deepening Strategic Partnership, with emphasis on green growth, climate cooperation, digital transformation, defence collaboration, and skilled workforce mobility. The two sides reviewed progress under the Green and Sustainable Development Partnership, including cooperation on renewable energy, hydrogen technologies, and sustainable urban development.

The statement also underscored collaboration in emerging technologies such as artificial intelligence, semiconductors, and critical minerals, while reaffirming shared commitment to a rules-based international order. The partnership reflects the growing alignment between India and Europe's largest economy amid global geopolitical and supply-chain realignments.

[READ MORE: INDIA-GERMANY JOINT STATEMENT](#)

ECONOMY & DEVELOPMENT

WORLD BANK PROJECTS INDIA'S GROWTH AT 7.2% DUE TO "RESILIENT ACTIVITY"

In its latest Global Economic Prospects report, the World Bank said India's resilience helped lift overall growth in South Asia in 2025, offsetting the impact of heightened policy uncertainty and global trade frictions. India's economy is projected to remain among the world's fastest-growing major economies, with growth estimated at 7.2% in FY2025-26. India continues to stand out among major economies due to macroeconomic stability and structural reforms. The projection reinforces India's role as a key driver of global growth at a time of slowing economic momentum in several advanced and emerging economies.



[READ MORE: WORLD BANK PROJECTS INDIA'S GROWTH AT 7.2%](#)

FDI INFLOWS SURGE US\$ 51 BILLION IN 6 MONTHS AS GOVT PUSHES MANUFACTURING, STARTUP COLLABORATION



India recorded US\$ 51 billion in Foreign Direct Investment inflows over the past six months, reflecting strong investor confidence in manufacturing, digital services, and startup ecosystems. Government initiatives such as Production-Linked Incentive (PLI) schemes and ease-of-doing-business reforms have played a key role in attracting capital. The rise in FDI supports India's ambition to become a global manufacturing hub while fostering technology transfer and job creation.

[READ MORE: FDI INFLOWS SURGE US\\$ 51 BILLION IN 6 MONTHS](#)



INDUSTRY & SECTORAL INSIGHTS

INDIA'S CLEAN MOBILITY AND ADVANCED MANUFACTURING ECOSYSTEMS

India's Heavy Industries made significant strides in accelerating India's clean mobility and advanced manufacturing ecosystems, particularly through major incentive schemes and policy initiatives. The Production Linked Incentive (PLI) Scheme for the automobile sector attracted substantial investment and boosted production. Ministry of Heavy Industries expanded support for the capital goods sector and technology development, fostering competitiveness through infrastructure enhancement, skills development, and innovation partnerships.



Projects under Phase II of the Capital Goods Competitiveness scheme have delivered training, exportable technologies, and intellectual property outcomes, with numerous centres of excellence and technology accelerators operational. Clean-up campaigns, stakeholder workshops, and publications rounded out the ministry's initiatives aimed at strengthening India's industrial base and boosting clean, tech-driven growth.

READ MORE: [INDIA'S CLEAN MOBILITY AND ADVANCED MANUFACTURING ECOSYSTEMS](#)

INDIA'S LOGISTICS TRANSFORMATION

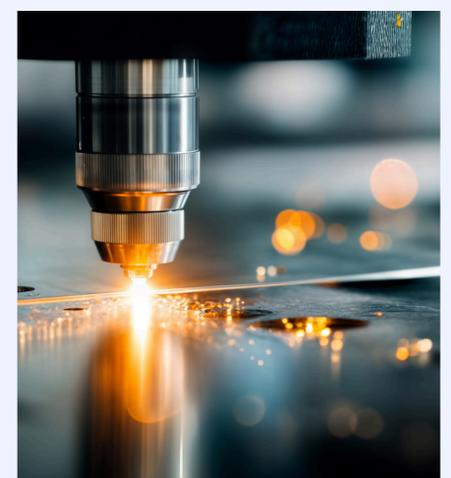


India's logistics sector has made remarkable progress in recent years, achieving a significant milestone with logistics costs now reduced to 7.97% of GDP. The government has said that this achievement reflects the success of sustained reforms and integrated planning, positioning the nation closer to global benchmarks. Indian Railways has approved 306 Gati Shakti Cargo Terminals (GCT), with a combined capacity of 192 million tonnes per annum. 2,672 million tonnes of freight have shifted from road to rail since 2014, which has resulted in a saving of more than 143 million tonnes of CO₂. Private investment of around US\$ 1.04 billion has been mobilised under the GCT Policy.

READ MORE: [INDIA'S LOGISTICS TRANSFORMATION](#)

INDIA'S IPHONE EXPORTS HIT US\$ 23 BILLION IN 2025

India's iPhone exports crossed US\$ 23 billion in calendar year 2025, marking a historic milestone since large-scale smartphone manufacturing began in 2021. Apple's exports in January-December 2025, according to data provided is up nearly 85% over the corresponding 12 months of 2024. Apple's main focus under the PLI scheme in India till 2024 had remained expanding the exports of iPhones. The growth reflects India's expanding role in global electronics supply chains and successful integration with multinational manufacturers. Electronics manufacturing has emerged as a key pillar of India's export growth and industrial transformation.

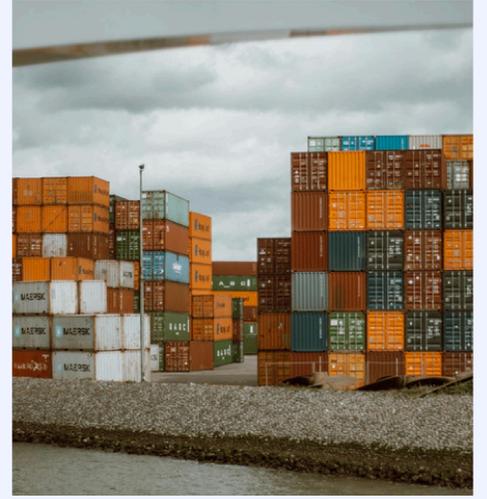


READ MORE: [INDIA'S IPHONE EXPORTS HIT US\\$ 23 BILLION IN 2025](#)



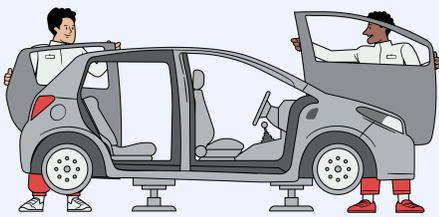
MOBILE PHONE PRODUCTION TO REACH US\$ 75 BILLION BY FY26-END, SAYS ICEA

India's mobile phone production is expected to reach US\$ 75 billion by the end of the current fiscal year, FY26, with exports of more than US\$ 30 billion, according to the India Cellular and Electronics Association (ICEA). This growth comes from India having an expanding manufacturing base supported by the Mobile Phone PLI programme, which significantly scaled India's manufacturing capabilities and led to many major international firms expanding their operations in India. According to industry experts, India is expected to reach nearly 3 billion mobile phone units by the end of FY26 and, by 2025, approximately one out of every four smartphones produced in India will be exported, primarily due to increased average selling prices and heightened demand from markets such as the United States.



READ MORE: [MOBILE PHONE PRODUCTION TO REACH US\\$ 75 BILLION BY FY26-END, SAYS ICEA](#)

INDIA'S AUTOMOBILE EXPORTS RISE 13% IN APRIL-DECEMBER 2025



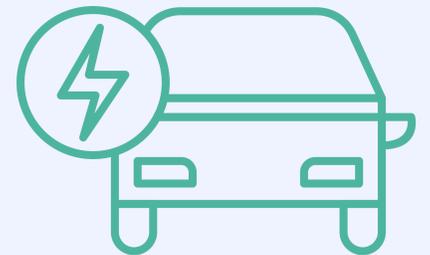
According to the data released by the Society of Indian Automobile Manufacturers, India's automobile exports grew by 13% between April and December 2025, led by Maruti Suzuki, followed by Hyundai. Growth was driven by strong demand in emerging markets and improved manufacturing competitiveness. Vehicle shipments increased to 6,70,930 units during the period, compared with 578,091 units a year earlier. The performance underscores India's rising profile as a global automotive production and export base.

READ MORE: [INDIA'S AUTOMOBILE EXPORTS RISE 13% IN APRIL-DECEMBER 2025](#)

ENVIRONMENT & SUSTAINABILITY

OVER 1.36 MILLION EVS RECEIVE INCENTIVES UNDER PLI-AUTO SCHEME

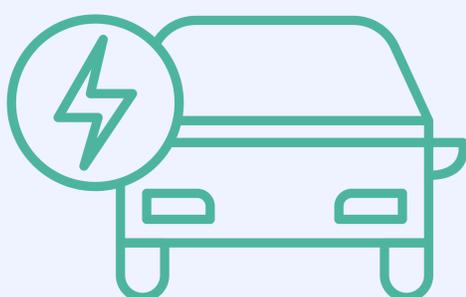
The Indian government has provided incentives to more than 1.36 million electric vehicles so far under the Production Linked Incentive, PLI-Auto Scheme. The Heavy Industries Ministry said, the scheme offers incentives ranging from 13% to 18% for Electric Vehicle and Hydrogen Fuel Cell components and 8% to 13% for other Advanced Automotive Technology components. The Ministry said, incentives have been provided to over a million electric two-wheelers, over 200,000 three-wheelers, around 80,000 four-wheelers and around one thousand 400 electric buses.



The scheme was approved in 2021 to enhance the country's manufacturing capabilities for Advanced Automotive Technology products, overcome cost disabilities and build a robust supply chain. The PLI Auto scheme incentivises only those products which achieve a domestic value addition of minimum 50%.

READ MORE: [OVER 1.36 MILLION EVS RECEIVE INCENTIVES UNDER PLI-AUTO SCHEME](#)

INDIA'S ELECTRIC VEHICLE MARKET ACCOUNTS FOR 8% OF NEW VEHICLE REGISTRATIONS IN 2025



India's electric vehicle market accounted for 8% of all new vehicle registrations in 2025, with total EV sales reaching 2.3 million units. According to official data, electric two-wheelers led the EV growth with sales of 1.28 million units, touching 57% of EV sales, while electric three-wheelers accounted for 800,000, or 35% of EV sales. Electric four-wheeler sales were at 175,000 units, with notable momentum in small and light commercial electric goods carriers. Uttar Pradesh emerged as the largest EV market with over 400,000 units, or 18% of national EV sales, followed by Maharashtra and Karnataka.

READ MORE: [INDIA'S ELECTRIC VEHICLE MARKET ACCOUNTS FOR 8% OF NEW VEHICLE REGISTRATIONS](#)



SCIENCE, TECHNOLOGY & INNOVATION

INDIA EMERGING AS A KEY DEVELOPMENT BASE FOR AI INNOVATIONS, SAYS BOSCH



Global engineering firm Bosch says India is emerging as a global AI development hub for its tech innovations, especially in smart mobility and industrial manufacturing, supported by over 20,000 Bosch software developers in the country. The German firm, which has committed US\$ 2.9 billion in AI innovation globally, sees India as a major growth and software hub, with increasing responsibility for global development. The company, in a statement said that “around 18,000 out of its 31,000 associates in India work in research and development (R&D). This underlines India’s importance for the Bosch Group’s global network as more and more innovations are coming out of the country into the world.”

READ MORE: [INDIA EMERGING AS A KEY DEVELOPMENT BASE FOR AI INNOVATIONS, SAYS BOSCH](#)

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