

Indian investment in France



France is becoming an increasingly attractive commercial and tourist destination for Indians.

The data used in the present document in terms of number of projects and jobs created, comes from reports on international investment in France edited by the IFA since 1993.

Indian companies based in France

General characteristics

France is becoming increasingly attractive to Indian companies and investors: with more than 50 companies employing over 3,000 people in the country. Indian investment generated 528 jobs in 2007, which is a 70% increase on 2006. In 2007, Indian firms acquired 243 foreign-owned companies, for a total value of approximately \$32.76 billion, compared to \$9.9 billion in 2006 and \$4.2 billion in 2005.

Statistics 2007

Stocks :

- > Number of companies based in France: 50
- > Number of employees: 3,000
- > FDI stocks in France as at 31/12/2005¹ : €97 M in 2005

Flows :

- > Number of projects concerned: 7
- > Number of jobs concerned: 528

Globalization in India, which is the 10th leading economy worldwide, has become vital in terms of improving turnover figures for Indian companies and providing access to technology (production, IT, communications, ...) and expertise.

In 2007, India is the 14th leading source country for international investment in France in terms of the number of jobs created or maintained.

Sectors

Leading sectors in 2007 (in order): metals, metalworking and recycling (47.3% of jobs created); electric, electronic, IT and medical equipment (37.5%), agro-food, agriculture and fishing (5.7%). The first two sectors together account for roughly 85% of jobs created in France by Indian investment projects.

Over the 2002-2007 period, software and IT services come out in the lead in terms of both the number of projects and the number of jobs created: 11 projects led to 650 jobs being created or maintained.

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Type of investment

In 2007, the distribution of investment projects per type of investment operation was relatively even. In terms of the number of jobs being created, takeovers of ailing firms represented 85% of the total.

The “production, manufacturing, assembly” function accounted for slightly more than 90% of jobs created in France in 2007 as a result of Indian investment. Over the 2002-2007 period, commercial and liaison offices came out ahead (42.2% of jobs created), followed by production (30.6% of jobs created). France is also given priority in terms of representative offices in the new technologies sector and R&D centers, as can be seen by recent investments by Wipro Ltd, Ranbaxy and Span Diagnostics.

Regional investment locations

The majority of Indian companies are based in Paris or in the Ile-de-France region; the fact that Paris is a major capital city with a large Indian community can favorably influence the investment decisions of certain Indian investors.

However, Indian investment is now tending to relocate to the South of France and specifically the Rhône-Alpes region and Sophia-Antipolis which offers a scientific and technology park.

Indian investment flows since 2000

De 2000 à 2007

Since the year 2000, 27 Indian investment projects have enabled 1,638 jobs to be created or maintained in France.

En 2007

In 2007, seven investment projects led to 528 jobs being created or maintained.

Indian investment projects in France in 2007 included:

- > **Blue Stampings and Forgings Ltd** acquired the **MSI group** (Meca Stamp International) forging, stamping, mechanical soldering for industrial equipment - 250 jobs maintained Hénin Beaumont, Pas-de-Calais
- > **Havell's India Ltd** - manufacture of lighting equipment for industrial and commercial use business takeover - 198 jobs maintained - Saint-Etienne, Loire
- > **Aesa Air Engineering** - environment, air treatment - takeover-extension - 30 jobs created Thann, Haut-Rhin
- > **Tata consultancy** - Indian leader in the field of engineering and studies - business creation 20 jobs created - Blagnac, Haute Garonne