

Opportunity India

IN ASSOCIATION WITH

Incredible!India

i2i Ireland India
Business Association

10-PAGE SUPPLEMENT

EDITED BY PRIYA RAJSEKAR

JUNE 26 2011

Engaging India

India is a growing economy with plenty of opportunities for Ireland's entrepreneurs. **Priya Rajsekar** reports

India's incredible economic growth is not a new phenomenon. Even Columbus originally set out to find India which, as history reveals, was until the 11th century the world's largest economy. India has been discovered and rediscovered; the passage to the country was challenging, yet truly rewarding for those that persisted. With the recent liberalisation of the economy, India is now unbound, opening up a potential goldmine of opportunity.

Today the world is 'engaging' India, by wooing its rapidly prospering and growing middle-class, partnering with its global corporates and competing for a share in the developmental efforts that will sync quality of life at grassroots level with the country's global economic stature.

Ireland's India initiatives are nascent, but there is growing enthusiasm to trade. The opportunities are virtually limitless and have the potential to energise the country's ailing economy.

However, Ireland needs to stand apart from the competition that includes most countries of the developed and developing world. Ireland's shared history and long-standing

friendship with India give it a definite advantage, and an enhanced economic partnership could be mutually rewarding, both economically and socially.

Putting things in perspective

India has a population of 1.2 billion and growing, with a middle-class population of about 160 million expected to grow to 267 million in just five years, according to latest reports from the National Council for Applied Economic Research (NCAER). The country has an average growth rate of 8.5 per cent.

Its working age population is expected to be the highest in the world, far surpassing China, by 2030 and increasing by 130 million before 2020, according to the UN. To move this engine of growth, the country will need to invest at least \$1.3 trillion in urban infrastructure.

India is also home to some of the largest business houses in the world, including the Tatas, the Birlas, software giants such as Wipro, Infosys and TCS, and some of the biggest names in the pharma sector like Ranbaxy, Dr Reddys Laboratories,

Wockhardt, Cipla and Biocon.

Ireland's strengths

The average Indian may not know where Ireland is but, they may very well have read George Bernard Shaw or watched a translation of his plays. The eight-year old in the Kolkata slum may not have heard of Dublin, but she owes her life to the Irish nun that raised her. Thousands of poor Indians have benefited from Irish charity. Earlier this year, a virtually unknown Irish cricket team left indelible memories by entertaining millions of enthralled Indians in the World Cup.

It is clear that Ireland has a legacy of goodwill in India that can open up many avenues for bilateral trade. On the economic front, instead of a lengthy analysis of what Ireland's economic strengths are, it might be more relevant looking at what areas Ireland has excelled in on a global scale.

As a centre for innovation, a European hub and a global leader in scientific research and in agricultural technology, Ireland compares with the best in the world.

Ireland also has a proven

track record of attracting investment – eight of the top ten ICT companies, eight of the top ten pharmaceutical companies, 15 of the top 25 medical devices firms and over 50 per cent of the world's top financial firms have a base in Ireland, according to the Industrial Development Agency (IDA). Incidentally, many of these top multinationals also have offices in India, opening up many avenues for business.

Clearly, Ireland has key strengths that can be put to work in the Indian market, which by virtue of its sheer size and potential will be worth every euro and man hour invested, especially in the long run.

"I have great faith in the Indian socio-economic model," said Fergus Murphy, chief executive of EBS Building Society.

He believes that as a thriving democracy with a growing young population, the country's long-term prospects are extremely bright.

Having visited India at least 35 times, Murphy has a very good understanding of the country and its people and understands the country from an Irish perspective, making his ideas very relevant.

"India's business people are

extremely bright and intelligent and very fluent in the English language," he said. "Its graduates from the Indian Institutes of Management and the Indian Institutes of Technology are comparable to the best in the world. Even geographically, it has an advantage in terms of its relative proximity to Europe and other countries in south-east Asia."

On the strength of his extensive interactions with the movers and shakers of the Indian banking and financial world and his own expertise on the subject, he believes that Ireland needs a "step change" when it comes to its prioritising India.

This is a very valid point given that the omission is rather striking. US President Barack Obama recently made a state visit to India to build business links, as has virtually every major world leader.

On the other hand, Ireland has had a rather delayed approach, though the recent trade mission to India led by Richard

Bruton, Minister for Jobs, Enterprise and Innovation, may have given the initiative some much-needed momentum. Still, there is a long way to go and the timing is crucial.

How does Ireland fare?

In terms of trade value, which stood at about €1 billion in 2009 (having taken a dip in comparison to 2008 figures) the value is expected to rise 10 per cent by 2015. Ireland exports more services than goods to India and this is a sector that is showing promise.

The figures for Ireland-India trade in 2008 and 2009 were €423 million and €518 million; the figures for 2009-2010 were €438 and €461 respectively.

During 2008 and 2009, the trade in services stood at €511 million and €581 million respectively.

to page 2



KPMG

cutting through complexity™

Doing business in India?

For Irish companies looking for growth opportunities in Asia, doing business in India is an obvious next step.

With a population of over one billion, the attractions are obvious – and the challenges sometimes less so.

We advise Irish companies doing business in India by providing the audit, tax and advisory support they need to help them succeed.

To find out more please contact:
**Mike Gibbons, Liam Lynch
or George Philip at +353 (1) 410 1000.**

kpmg.ie

Opportunity India

Incredible India

Engaging India

from page 1

Compare this with India-Poland trade figures which are currently about \$1.2 billion and is expected to double over the next three years. New Zealand's recent free trade agreement with India is expected to treble trade figures to about €1.7 billion and is a country that is often compared to Ireland in terms of size and economy.

Belgium is India's third largest trading partner in the EU and figures are expected to rise by 15 per cent in 2011 from about €7.1 billion in 2009. India-Sweden bilateral trade figures stood at US\$2.5 billion in 2009.

India-EU trade has also grown by 27 per cent over the last five years. Figures from the EU website indicate that exports to India in 2009 stood at €27.5 billion and imports during the period at €25.4 billion.

Services figures for the same period were exports of €8.6 billion and imports from India of €7.4 billion. FDI to India stood at €3.2 billion and inward investment from India at €0.4 billion in 2009.

It is apparent from India's bilateral trade figures with countries comparable with Ireland such as Sweden and Belgium that there is evidently lots of potential to be tapped by Ireland.

On the reasons for Ireland's underperformance, Murphy believes that there is a very poor level of understanding among the Irish of the Indian market.

D Ramamoorthy, India's

commercial counsellor to Ireland, said: "While other countries in Europe entered the Indian market a lot earlier, Ireland has only recently accessed it.

He added that Irish businesses had been focusing for a long time on the US, Britain and its neighbours in Europe.

Ramamoorthy feels that Ireland needs to up the ante to stay competitive in the market.

"The market in India is so huge that Ireland is only limited by its own abilities to bring a world-class product or service to market," he said. "If you have the capability, there is demand for anything from needles to rockets."

Likewise, in terms of inward-investment into Ireland, Ramamoorthy feels the opportunity is Ireland's for the taking if it is able to offer and market aggressively enough to attract Indian businesses.

Fergus Murphy agreed that Ireland could find it hard to get India's attention. One reason is the problem with visas, and he believes recent changes don't go far enough. He cited the example of hundreds of affluent and educated Indians visiting neighbours in Britain and the Schengen area who give Ireland a slip because they need a separate visa to visit.

"We need to work these out, there are just no excuses," said.

The promising sectors

There is potential and demand across almost every conceivable sector. In the agricultural sector, for example, India is among the top four

in the production of many commodities, yet there is a huge problem of wastage which creates opportunities for Ireland.

There is also plenty of potential for Ireland to expand into related sectors such as cold storage, agricultural technology, research, waste management and renewable energy.

Another area is financial services. Murphy considers Indian banks to be among the best in the world, his special praise reserved for the exemplary regulatory framework of the country's central bank, the Reserve Bank of India (RBI).

"There are opportunities in mobile telephony, cards, secure payments, transaction banking, risk management, banking technology, general compliance software and much more," he said.

Besides the above, there are huge opportunities in life sciences and biotechnology, with India emerging as a leader in the production of generic drugs. Opportunities in the high-end services sectors are also abundant.

According to Kapil Sibal, the Human Resources Development Minister, India will need at least 1,000 new universities and more than 35,000 new colleges to keep pace with world standards, creating an opportunity for Ireland.

Ireland has also identified education as one of its priority areas, but this could be a little more challenging than previously thought, considering that in the face of stiff competition from the US, Britain, Australia and other European countries, Ireland's offering is a case of too little for too much

cost to the student.

To make progress in this area, Ireland probably needs to revisit the problem from the student's perspective and adopt a more aggressive approach in terms of investment and marketing.

The pitfalls

Most countries recognised India's potential rather early and it was not until 2006 when Enterprise Ireland set up its first offices in India and he then taoiseach Bertie Ahern visited the country on a trade mission that Ireland made its first serious move.

Even as things stand today, it cannot be denied that the country's initiatives in India are seriously under-resourced. Given the dire need for investment in this area, Ireland might do well to re-allocate human resources from the more mature markets, in view of existing budgetary constraints.

Culturally, India is a little hard to understand and the lack of awareness only complicates things further for Ireland. There is a momentum to everything that Irish business people need to be inducted in, according to Murphy.

"You also need to have the right business partners, accountants, consultants and lawyers to get on the right foot," he said.

However, Ramamoorthy refuted the perception that it was hard to do business in India.

"Perhaps there was scope for improvement, but there is no country in the world where one can start a business overnight," he said. "It is not as if



D Ramamoorthy, India's commercial counsellor to Ireland: 'Ireland is only limited by its own abilities to bring a world-class product or service to the Indian market'

MAURA HICKEY



Fergus Murphy, chief executive, EBS

FEARGAL WARD

we have a chaotic system in India." He added that many other countries had succeeded there.

Interestingly, US economist JK Galbraith described India as a "functioning anarchy". Indeed, it is incredible when one juxtaposes India against economies a fraction of the size, riddled with systemic problems. Admittedly, as with anything else, there is always room for improvement.

There are also certain key areas that Ireland needs to work on. In the area of foreign student recruitment, there is primarily a need to improve the marketing strategy, including branding and fee structures, which are not competitive enough, given Ireland's profile in India compared to destinations such as the US and Britain.

Ireland also needs to revise its visa regime, particularly in terms of post-employment op-

portunities, which are less attractive than those offered by the competition.

Another rather glaring omission is the potential of Indian immigrants living and working in Ireland. Highly-skilled professionals are one of the biggest economic migrant groups from outside the EU, ty-

pically recruited from India to fulfil identified needs especially in IT and health services.

The Indian diaspora has played an invaluable role in building bilateral trade relations with India and Ireland needs to look into this area strategically and in a way that is mutually rewarding.

Action plan to engage India

India needs to be a priority for Ireland, according to Murphy.

"There should be an immediate and radical change in the momentum, in the investment and in the activity surrounding India," he said, calling for the energy levels with which Ireland has pursued the United States and Britain.

At this juncture, as Ireland so desperately counts on its citizens for an economic revolution, the inspiring words of President Obama come to mind. Yes, Ireland can make its economic mark on India, for as the president said: "Never has a nation so small inspired so much in another." Is féidir linn.

Enterprising approach is paying off for Irish companies

By Priya Rajsekar

Since opening its first branch in New Delhi in 2006, Enterprise Ireland has seen about 100 Irish client compa-

nies export to India with more than 30 having branches set up there.

In recent times, there has been an increased interest in expanding into the country. According to Gabriel McCarrick, manager of Enterprise Ireland, India, there is signifi-

cant potential for Ireland in the areas of financial services, education services, construction, pharma, medical devices, aviation, IT and engineering, to name a few.

The gradual opening-up of the Indian economy has created many avenues for foreign businesses, given the booming economy of India and the favourable demographic profile.

"You notice really that more opportunities exist in deregulated industries," McCarrick said.

In the telecom industry, for

example, there are a handful of active players in the value-added-services segment. The aviation industry also has Irish players in areas like aircraft leasing and personnel services, while there are also players in the IT and medical devices segment.

Construction is another high-potential area with increased building activity and attracts considerable interest from foreign players.

"India has no shortage for engineers or architects, so Irish companies have to be in a

space where there is no expertise in India," he said. He believes that a unique selling proposition is very important.

Ireland's indigenous exports to India have doubled since 2007 to about €50 million last year, which is a very encouraging sign.

Also Ireland's service exports to India are far higher than trade export, which only account for about a third of exports. This trend is likely to continue over the coming years.

Education is one of the key

exports for Ireland and an area that Ireland is keen to tap into. At present, only about 500 to 600 students of the 200,000 or so that study abroad come to Ireland.

"The problem is with visibility," said McCarrick, pointing out that Ireland had some of the best universities in the world, yet Indian students are happy to pay more and settle for lesser quality in other more popular destinations.

According to him, Ireland needs to harvest the goodwill of its student alumni who can

be very powerful ambassadors for Ireland.

On the main barriers to entering the Indian market, McCarrick believes that problems with scale are a hurdle.

"Large companies generally prefer to deal with large companies," he said, reasoning that it may not be in the larger company's interest to trade with a small SME if there are no guarantees of the latter's longevity or if emerging payment terms such as revenue-sharing are not feasible arrangements. He does not subscribe to the

view that the Irish are reluctant to go to India because of cultural differences and distance. Ireland has always exported most of what it produces and the Irish have a history of trading in far off locations.

With strategic marketing and positioning and the added impetus of trade missions such as the one that recently went to India under Minister Richard Bruton's leadership, McCarrick believes Ireland will be able to raise its profile and benefit from the emerging opportunities in India.



Altimetix/ae/BS20



Experience luxury en route to India with our lie-flat beds in Première.

A touch of a button is all it takes to convert a plush armchair into a 180° lie-flat bed. It's just what you need to arrive rested and refreshed at your destination. Besides, you enjoy direct aisle access from your seats, sumptuous gourmet meals and a handpicked selection of wines. To unwind and relax, you have our award-winning in-flight entertainment designed to keep you enthralled. And to stay connected, constant access to e-mail and SMS. So, if you're flying to India, fly in luxury. Fly Jet Airways.

We fly daily from London Heathrow Terminal 4 to Mumbai and New Delhi and seamlessly connect onwards to over 40 destinations spanning the length and breadth of the country.

For further details visit jetairways.com. Alternatively you can call sales support on 01 866 5841 or contact your local travel agent.

JET AIRWAYS

Networking the way to growth and success

By Priya Rajsekar

India's growing importance to Irish businesses has increased the need for networking and information on opportunities for both outward and inward investment. The Ireland India Business Association (IIBA), which was created three years ago as a response to this need, is the brainchild of the embassies of Ireland and India and Enterprise Ireland.

Since its inception, the association has, thanks to the support of its major sponsors, helped several businesses both in India and Ireland access information and contacts.

"We are a private bilateral business association that focuses on networking, information sharing and putting people together," David Carthy, chairman of the IIBA and partner with William Fry in Ireland.

The association is administered and managed by volunteers from various spheres and organises regular meetings for its members, with the subscription deliberately kept at a very nominal level.

"The idea is to provide a platform where those with experience of the Indian market can share their stories with business people aspiring to go to India," Carthy said. "Pioneers have shown a remarkable willingness to share their time

and experience with others so the same mistakes are not repeated."

The IIBA has about 150 members which have benefited from the association's regular events, which often involve high-ranking guests from both Ireland and India, including ministers, ambassadors and key business people.

"It is clear that running a business in India can be challenging and it is no easy market," Carthy said.

He said that a model that worked for the US or Europe wouldn't necessarily work for India. However, he said that Ireland and India's historic links and cultural similarities make things a lot easier.

"For one thing, you can communicate in the English language, without interpreters, and make judgments for yourself," Carthy said.

Also, in India, business is very relationship-driven, which is something that the Irish understand.

In terms of setting up in India, Carthy believes that adequate preparation is necessary before making the trip. By interacting with people that have ventured into the Indian market, it is easier to learn from their experiences and be better prepared to face challenges.

While it is possible to set up independently in India, given the complexities in understanding the market and complying with regulations, he believes that a joint venture



Indian Minister of Corporate Affairs Salman Khurshid at an IIBA event

with an Indian partner will make things easier. However, he emphasises the need for due diligence in the choice of partner.

Even outside its networking events, the IIBA is happy to answer queries and direct people to appropriate agencies in Ireland and in India for further information or assistance. The website of the IIBA also has useful resources and a monthly newsletter keeps members informed of key events and relevant news stories.

As a private networking organisation, the IIBA has lost no time in expanding its operations to India. A branch is now functioning in Mumbai and handles an increasing number of queries from Indian companies interested in expanding

into Ireland.

In keeping with its philosophy of working closely with major business organisations such as Enterprise Ireland and the IDA, the association also maintains ties with organisations in India such as the Confederation of Indian Industry (CII) and the Federation of Indian Chambers of Commerce and Industry (FICCI).

Indian companies normally prefer to enter Ireland by way of mergers and acquisitions (M&A). Carthy believes there is huge potential for Ireland to tap into this market and act as a gateway for business into the US or Europe. He observes that the striking feature of Indian businesses is that they are very confident in their approach.

Useful links and contacts

IIBA website: www.iiba.ie
Email: Linda McNulty, Dublin Chamber, linda@dublinchamber.ie

India Business Links and resources

Ministry of External Affairs: <http://meaindia.nic.in/>
Confederation of Indian Industry: www.cionline.org
Indian Brand Equity Foundation: www.ibef.org
Federation of Indian Chambers of Commerce and Industry: www.ficci.com
The Associated Chambers of Commerce and Industry of India: www.assocham.org
National Association of Software and Service companies: www.nasscom.in
Indian Embassy in Ireland: www.indianembassy.ie
Irish Embassy in India: www.irelandinindia.com
William Fry Solicitors: www.williamfry.ie

"The feeling is that if they can thrive in a challenging market like India, they can do it anywhere in the world," he said.

Examples of recent M&As include the acquisition of Lish-teen Mines by Vedanta and of Pinewood Laboratories by Wockhardt. On the greenfield side, there is Tata Consultancy Services and the IDA is expected to make a few more announcements this year.

Where does the IIBA aspire to go? "Basically, we would like to remain focused on networking," Carthy said.

The IIBA differentiates itself from some of the other Ireland-India communities operating in Ireland with its single-

minded focus on business development. Its impressive growth in a very short span of time is evidence of the fact that there is an increasing appetite for Ireland-India trade.

With rapid expansion that endeavours to keep pace with India's growth, the IIBA is an important port of call for businesses planning to enter the realm of Ireland-India trade.

The Opportunity India supplement was developed by Wayne Leitch of Non Stop Media

www.nonstopmedia.ie
wayne@nonstopmedia.ie

Incredible!India Opportunity India

Greater trade awareness is needed

Anand Sharma, India's Minister for Commerce and Industry, tells **Priya Rajsekar** how trade relationships with Ireland can be strengthened

India's surging economy is attracting countries of all sizes and regions. How can Ireland, compete and benefit from this opportunity?

India and Ireland have a long history of cordial interaction dating back to the 19th century. The affinities developed over this period, commonalities of language and culture, and the current trajectories of our economies are all conducive to a vibrant economic relationship between our two countries.

We need to promote greater awareness in both countries about the opportunities for bilateral trade and investment. India's trade and investment linkages with EU countries have been strengthening rapidly. We would like to see a similar growth path in our interactions with Ireland.

What was your impression of the

recent Enterprise Ireland mission to India under Minister Richard Bruton? Have any firm commitments been made towards enhancing bilateral trade between India and Ireland?

It was a pleasure to meet Richard Bruton, the Minister for Jobs, Enterprise and Innovation, in India recently. We appreciate the fact that the Irish government organised a trade mission to India within weeks of its assumption of office. We had fruitful discussions on promising areas of bilateral cooperation and measures which the two governments could take to facilitate closer links.

In the ultimate analysis however, governments can only encourage business and show the way to new opportunities; it is for the business communities to take up the challenge of forging new connections to exploit the rich potential.



Anand Sharma, Indian Minister for Commerce and Industry, and Richard Bruton, Ireland's Minister for Jobs, Enterprise and Innovation

Given that the India-EU free trade agreement (FTA) is likely to be signed soon, how can Ireland benefit from the enhanced opportunities that will

result? So far Ireland's share has been much below potential – less than €1 billion – while the figure for India-EU was in the region of \$80

billion in 2010.

We believe that the India-EU bilateral trade and investment agreement will have a balanced and

ambitious outcome. I am confident that we should be able to arrive at an agreement well ahead of the next India-EU summit.

Our trade with EU is in excess of \$80 billion and this agreement will impart a major thrust to the diversification and intensification of our economic engagement with the EU. With its open economy and strong export orientation, I believe Ireland can benefit greatly from the new avenues that this agreement will open up, when it is concluded.

Ireland has a proven track record of FDI successes. Most major multinationals in the pharmaceutical and IT sectors, for example, have a presence in Ireland. How and in what sectors does India see opportunities for investment into Ireland?

In recent years, corporate India has been seeking markets and investment opportunities abroad. Indian investment activity in Europe has been particularly intense. Some of the largest mergers and acquisitions of recent times in Europe have been led by Indian investors.

There have been many Indian investments abroad in the pharmaceutical and IT sectors, but there are also a number of other areas of

interest for Indian investors, both in manufacturing and in services.

Here again, it is a question of promoting awareness of the special attractions of Ireland and investment incentives that it can offer to Indian investors.

There has been strong competition among European countries to attract investments from India – Irish investment promotion agencies need to match this competition.

Indians are Ireland's largest economic immigrant community from outside the EU. Are there any changes you would like to see in terms of improving their opportunities and increasing the access for Indians coming into the country to study and work? How can the Indian diaspora in Ireland help enhance bilateral trade?

We are happy to see the Indian community in Ireland contributing to the Irish economy and integrating harmoniously into the social fabric of the country.

The Indian community in Ireland is predominantly of young skilled professionals and I think they can play a valuable role in building new bridges of understanding between the business communities of the two countries.

Innovation, quality and service are crucial for success

Minister for Jobs, Enterprise and Innovation Richard Bruton tells **Priya Rajsekar** what he believes will help Ireland to build a more fruitful relationship with India

Did you achieve the objectives set out for the recent Enterprise Ireland mission to India? How would you describe your meeting with Indian Minister for Commerce Anand Sharma? Do you think there is a positive attitude towards improving trade ties with Ireland, particularly in view of the fact that the India-EU free trade agreement (FTA) is likely

to be signed soon?

The trade mission in April, organised by Enterprise Ireland, included a very successful programme of events. Twenty-two Irish companies travelled to India. During the mission, I was involved in a range of promotional and networking events.

I had a very cordial and in-

formative meeting with Anand Sharma, India's Minister for Commerce and Industry. We discussed a wide range of issues of mutual interest to both countries. It was with great pleasure that I extended an invitation to Minister Sharma to visit Ireland at his convenience.

India is an important potential growth market, and I look forward to an EU-India FTA, which will bring strong mutual advantages.

Taking into consideration the strengths and weaknesses of the Irish economy, how can we increase the visibility of Ireland in India? Are you taking any steps towards this, both from the point of view of inward investment and improving trade relations? Currently, the growth

rate of EU-India trade is far higher than that for Ireland-India trade. How can we improve this?

Ireland is one of the world's most open economies and exports 85 per cent of all goods and services. Irish companies need to be competitive to survive in the global business environment.

We see ourselves as global exporters of Irish knowledge and expertise; this is by far the single biggest element of our overseas trade.

India is a key country within growth markets. IDA Ireland, expects a significant amount of inward investment to come from India. Alan Shatter, the Minister for Justice and Equality, recently announced a new visa waiver programme, which will facilitate tourism and busi-

ness visitors to Ireland from India when these visitors have a valid visa to visit Britain. British visas will be recognised for short-stay visits to Ireland..

The intake of Indian students into Irish third-level institutions has remained relatively flat in recent years. The absence of an effective marketing strategy with offerings strikingly different from that of the competition, lack of competitiveness of fee structures and a difficult visa regime have all been mentioned as reasons for this. How does the government propose to address these issues?

Ireland has developed an international standing as a centre of quality education and training. The international activities of Irish institutions and orga-

nisations cover a wide range of areas. During the trade mission in April, I launched a new Trusted Agents Programme to promote Irish higher-level education in India. A new Marketing & Communication Fund has been established to support this programme and to raise awareness of Ireland as a quality destination. This fund amounts to four million rupees (€63,000), which is funded equally by Enterprise Ireland, the Department of Education and the education sector.

Human resources is one of the most important components of Ireland-India relations. How will the government address the need for security and stability of the Indian immigrant workforce? Migrant workers have the

same rights in Ireland under employment rights legislation as Irish employees. This includes entitlement to applicable wages and conditions and the right to legal redress for possible infringements of employment law.

In 2010, more work permits were applied for and issued to Indian nationals than any other nationality, with the number of work permits issued to Indian nationals being 1,997.

While the larger companies have the resources to expand into the Indian market, it is the smaller businesses that are cash-starved and crying for new markets. Given the problems of scale in dealing with a large economy like India, how do you think the 'India Opportunity' can be

tapped into for the interest of small indigenous businesses?

Enterprise Ireland is responsible for the development and growth of Irish enterprises in world markets. It has an office in Delhi serving the Indian market and a dedicated High Growth Markets Unit in Dublin, which provides assistance to client companies doing business in a range of countries, including India.

I believe the opportunities in India are matched by Ireland's supply capability in many key sectors.

To succeed in India, as an increasing number of Irish companies are doing, it is necessary to compete on innovation, quality and service, and invest in long-term market development with local partners.

Incredible!India

Golden sand duns, Rajasthan

India Tourism Office, 7 Cork Street, London W1S 3Lh. Tel: 0207 437 3677 info@indiatouristoffice.org

www.incredibleindia.org

Opportunity India

Incredible India

Knowing the market is key to doing well

Enwright De Sales, director at Deloitte's Mumbai office, has good advice for foreign multinationals in relation to entry and operational strategy in India

Can you provide a quick overview of the India growth story and how Irish companies are performing in this space in relation to companies from other countries?

Despite its constraints, India is growing at about 8 per cent per annum and can exceed that level for the next decade if some of its constraints are addressed. Interestingly, India's growth has not been dominated by exports, but has been driven mainly by domestic consumption and investment.

The sectors that are expected to attract the largest share of investment are infrastructure, banking, insurance, consumer, education, agriculture and food processing, to name a few. One hundred per cent foreign direct investment is not allowed in some of these sectors. Irish companies have been late coming to India compared to their European peers. That said, there are still not that many Irish companies here in India, both among large and SME segments.

Is India one market and what kind of challenges do Irish companies face?

India is a single country, but not a single market. Indian clients, whether corporations or individuals, are demanding and the competitive pricing of products and services is very important.

The rate of growth, demand for products and services, income levels, procurement methods, infrastructure, skill sets, etc, vary from region to region, from the public sector to private sector, industry, etc.

In addition, India has various laws at a central, state and local level that impact investors. These include areas such as foreign exchange regulation, labour legislation, tax – direct and indirect (which vary from state to state), planning and property, the execution aspects of which can be onerous and slow.

This can often be daunting for investors who also have to deal with commercial considerations and other aspects.

Can you describe how some Irish companies have been successful in India and elaborate on any one sector?

India is a unique, large and challenging place to work in and strategies that have worked elsewhere may not necessarily work in the Indian market. Irish companies that have invested time and effort in understanding the markets, building relationships with clients and suppliers, selecting the right joint venture partners and advisors, localising products and correctly pricing their products and services have been successful.

As far as the Indian market is concerned, regular visits to India, detailed market analysis, including those related to regulatory and tax issues, thorough planning of investment structure and operations, adoption of best practices; and training and retention of quality staff are crucial.

Typically, these activities have been carried out in conjunction with a joint venture

partner and advisor where necessary.

The success of Korean electronics companies in India is a good example of how this can be done.

A few of the indigenous IT companies have been quite successful in dealing with very large Indian companies and the government.

Could you tell us about the Deloitte presence in India?

Deloitte has been in India for more than a century and is one of the largest professional

services organisations in India. Deloitte has a strong national presence and wide reach, with offices in 13 cities in India.

We are a multi-skilled, multi-disciplined firm, offering clients a wide range of industry-focused business solutions. The services we offer include Audit and Enterprise Risk Services (AERS), Consulting, Financial Advisory Services and Taxes (direct, employee, indirect, transfer pricing and litigation).

How can Deloitte help Irish

businesses going to India?

Deloitte, as a multi-disciplinary professional services firm, can assist in a variety of ways in the life-cycle of a project.

The initial assistance could cover market entry strategy, location studies, partner search, investment structuring, financial and tax due diligence and registrations, in addition to services relating to obtaining approvals.

The operational phase could include strategic reviews, IT systems design and implemen-

tation, audit, risk management, corporate, employee and indirect tax advice, transfer pricing, remittance of funds to parent by way of service fees, dividends and local fund raising amongst others.

The last stage typically could be sale of the business, exit from the joint venture and liquidation.

Is the regulatory framework complex and likely to change?

The regulatory and tax framework is complex and constantly changing. India is

introducing new income tax legislation from April 1, 2012, a new Companies Bill, IFRS and also a goods and services tax (possibly from 2013).

The foreign investment regulations, securities and competition laws are also being modified and amended on a regular basis.

At Deloitte, we are constantly updating and advising our clients on the implications of the changes and the steps which they can take to adapt their businesses to such changes.



Enwright De Sales, director at Deloitte's Mumbai office: 'Irish firms that have invested time and effort have been successful' MAURA HICKEY

'Green Giants' can hit a six for Ireland

Ireland's cricket success story can help build bridges, writes **Gerard Siggins**

While the world at large only sat up and took notice of the Irish cricket team in 2007, the game in Ireland is almost three centuries old.

That famous victory in Jamaica, when Ireland beat Pakistan, brought a whole new audience to the game. The number of people playing the game doubled and newspapers and radio stations started giving the game wider coverage.

But the win over England at the M Chinnaswamy Stadium in Bengaluru in March this year instantly took the game to a new level. Every newspaper in Ireland featured the victory on its front page and it knocked Arsenal, Celtic and the Ireland rugby team off the main sports page too.

It was a momentous occasion in Irish sport, and that it happened in India made it even more enjoyable and satisfying for those who love both nations.

The Irish and Indian peoples have much in common but there are few things that bring them together. Business is the one area where the nations interact on a regular basis, but now cricket can join those in business – and perhaps help smooth the way even more.

The Irish cricket team were widely feted and admired as they travelled around the sub-continent. Even when Ireland played India, also at Bengaluru, there was plenty of local support for the Green Giants.

So it was deeply disappointing that the last act of the International Cricket Council (ICC) in India, two days after Mahendra Singh Dhoni's team claimed the crown, was to damn Ireland and the other associates to eight years in cricket's wilderness. The 2015 World Cup in Australia and New Zealand would be reduced from 14 to 10 – and those ten



Kevin O'Brien in action during the historic World Cup match against England in Bangalore in March

GEETTY

would be the full members of the ICC family.

This was despite the fact that

Ireland has been in the ICC world ODI rankings since 2007, and is rated at 10th,

ahead of Zimbabwe. "I hope that the ICC understands that letting a team like Ireland com-

pete is in its own interest," said Taoiseach Enda Kenny in response to the decision. "If the

game is to be galvanised throughout the world, countries like Ireland and our exciting team should have that opportunity."

With enormous support being shown to Ireland – and the other 'minnow' nations such as Scotland, Canada and Afghanistan – the ICC were shamed into looking again. ICC president Sharad Pawar, who is also an Indian cabinet minister, asked the executive to reconsider the decision when it next meets, in Hong Kong at the end of June.

Meanwhile, the Irish team is simply going about its job of winning as many games as possible against the big guns of world cricket. The great shame is that the visit to England by the world champions will not feature a visit to Ireland. Just imagine how many people would like to see Sachin Tendulkar in Dublin – it would fill Croke Park.

And as Ireland makes more leaps forward in world cricket, it will continue to be boosted by the exciting Irish-Indian players that are starting to make the breakthrough.

Leinster cricket, in particular, has been boosted by large numbers of young men from south Asia coming here to work in recent years. Many of them have worked their way onto the first XIs of almost all the senior clubs. Several schoolboys with Indian heritage have also started to make waves, with Dhruv Kapoor, Kevin O'Brien's Railway Union team-mate, a star for Ireland U-17s last summer. Josh Uddin, from the tiny Halvers-town club in Co Kildare, has recently been promoted to the Southern Ireland Under 17 team.

Whether Dhruv and Josh can ever dream of wearing the green shirt while playing in the land of their forefathers will depend on whether Sharad Pawar and the rest of Irish cricket's friends in India can help change the ICC's decision.

Gerard Siggins has written three books on Irish cricket, including Raiders of the Caribbean, which he co-authored with Trent Johnston in 2007. He and Kevin O'Brien are working on a book about the 2011 World Cup for publication in August



Lord Diljit Rana: a spectacular rise

An inspiring tale of success

By **Priya Rajsekar**

When it comes to building a business empire in a foreign country, there are arguably few people on the island of Ireland who have made it bigger and under more trying circumstances than Lord Diljit Rana. For a man who started his life with a small cafe in Belfast, his spectacular rise to the House of Lords is a story that is truly inspiring.

Rana emigrated to Britain in 1963, but spent a frustrating few years trying to get an office job in the British civil services. He subsequently moved to Belfast and acquired a small restaurant in 1966. Within two years the business flourished and two more restaurants in prime locations were taken over by the group.

However, the Troubles started soon after and, over the next 25 years, the businesses were affected by terrorist actions more than 26 times.

"Had anyone in Belfast known that the Troubles would last this long, I wonder if they would have chosen to stay," he said. "Hope that peace was round the corner kept us going."

Rana commenced his efforts at initiating dialogue between the opposing groups.

"This belief in peaceful resolution is a legacy every Indian carries with him," Rana said.

Irish businesses can learn a thing or two from this seasoned entrepreneur. "Attitudes need to change," Rana said. "The approach should be to work together so it is a win-win situation for both sides."

"The size of India needs to be put in perspective as well," he said, adding that the population of the island of Ireland is what India adds to its numbers every three or four months. "To be able to make a difference to a country of this scale, it makes sense for the North and south of Ireland to work in partnership."

It is one thing to lead by rhetoric but a more challenging one to do so by example. Today, as Ireland's entrepreneurs turn towards new shores for brighter prospects, it would make sense to learn from the experiences of an immigrant businessman who started with little and now presides over hotels with international reputation. Today, as the North looks forward to the prospect of lasting peace, his empire and his leadership role in the community stand as proud testimony to his indomitable spirit of this entrepreneur who believes that life's true purpose is only achieved when one fulfils not just one's own narrow needs, but gives back in abundance to one's society and country.

Kevin O'Brien on a day to remember

The Sunday Business Post (SBP): Watched by a billion people around the world, you achieved the seemingly impossible [when the Irish team beat England in the World Cup]. What were your emotions on the day and what it was like to see yourself in the media afterwards and how was the reaction from your team mates and friends?

Kevin O'Brien (KOB): I will never forget March 2, 2011, and I don't think many people who love and follow Irish cricket will. It was a truly great day for all 20 of us who were there and also for the supporters who came all the way out to watch us. The buzz around the hotel before the game was something I have never experienced before.

SBP: What was it like playing in India, with the crowd support and sheer passion for the game? Do you think the Irish cricket team can take the game to that level at home? What needs to be done to energise Irish cricket some more?

KOB: It was a great experience to play in India. The crowd there is so energetic towards cricket and cricketers. I think the Indian public really took a liking to the Irish team, and we played really good, positive cricket.

SBP: You've said you will definitely be interested in playing for the IPL. Have any of the team managers contacted you? Which team are you supporting this time round?

KOB: As of now, no team has been in direct contact with me about playing in next year's IPL. It is always nice to keep an

eye on the games my friends are playing in, for example Eoin Morgan and the Kolkata Knight Riders.

SBP: Do you have a lot of Indian-origin and other immigrant players in Irish cricket? Do you see a reversal in the ICC decision paying way for their cricketing future?

KOB: Yes. With the Celtic tiger boom in the early 2000s, Ireland experienced a lot of immigration from all over the world. Many were from the cricket-mad sub-continent, and my home club, Railway Union, has seen an increase in these numbers.

SBP: What has life been like since the World Cup?

KOB: Life has been hectic since returning from India. We had a lot of television and radio interviews to do. Through my personal performance in the World Cup, I have secured a four-month contract with Gloucestershire for T20 and CB40 competitions in Britain. I have also signed up for the inaugural Sri Lanka Premier League taking place in July and August.

SBP: India is touring England shortly but a visit to Ireland is not on the cards. Do you think this is a possibility for the future? How will it help the cause of cricket and Ireland-India relations?

KOB: Ireland need to be playing the top teams more regularly and have just played two games against Pakistan which were well attended in Belfast. Hopefully in the next few years, India can return to Ireland.

Incredible India

Opportunity India

Charm India with a Riverdance

Priya Rajsekar talks to Ken Thompson, Ireland’s ambassador to India, about benefiting from the host of opportunities available there

India is a relatively new market for Irish companies. What is the best way to reach out?

India is a ‘civilisational’ state and not a nation state in the European sense. Its scale and diversity can be daunting. Any Irish company considering entering the Indian market should not look at India as a whole, but find a niche for itself, locate a good local partner and take it from there.

How active are Irish companies in India and what areas are they involved in?

Enterprise Ireland has more than 100 client companies exporting to India and another 100 exploring the market. There are also about 30 Enterprise Ireland client companies with operations in India.

However, there are also a number of Irish companies with a significant presence in India which entered the market on their own and have been very successful.

The EU and India are expected to conclude a free trade agreement (FTA) later this year. It will result in the liberalisation of the Indian market in more areas of interest to Irish companies.

Richard Bruton, the Minister for Jobs, Enterprise and Innovation, recently announced Ireland’s intention to increase the share of the 100,000 Indian students that study abroad each year. Is enough being done in this sector?

If there is one thing Ireland is known for above all else, it is the quality of the schools founded by Ir-

ish people, many of whom were religious. There are more than 100 schools, catering largely, but far from exclusively, to an elite.

Unfortunately, we have let this Irish connection fade a little. Our higher education institutions should be offering scholarships to students in the best of these schools and generating an interest in study in Ireland.

In the past, our institutions tended to focus too narrowly on the recruitment of students. They are now taking a much more long-term perspective, forming collaborative relationships with their Indian counterparts. This should lead not only to more Indian students coming to Ireland, but also greater cooperation especially in science and technology.

They also need to concentrate more on particular institutions instead of dispersing their energy in too many directions. I am also worried about the value of agreements between institutions unless they incorporate a programme of action and a dedicated budget.

In the embassy, we are doing everything we can to speed up the processing of student visas and we will be helped by the Trusted Agents’ scheme, which Bruton launched during the trade mission in April.

Enterprise Ireland is now responsible for the marketing of education abroad. With the introduction of the new National Quality Assurance Scheme, we will be able to offer Indian students a product carrying a guarantee of quality.



Ken Thompson, Ireland’s ambassador to India: ‘If I were granted one wish, it is that a dance company would reconstitute a performance like Riverdance in an Indian format’

Ireland is also keen to attract foreign direct investment from India. How successful has this been?

There is enormous potential in this area. Indian conglomerates are growing very rapidly around the world, not normally through green-field projects but by the acquisition of existing industrial plants, technology and skills.

India has already become the largest manufacturing employer in Britain.

The IDA, which set up its first office in Mumbai in 2008, has now scaled up and recently opened a second office in Bengaluru. I am confident it will deliver at least \$100 million of Indian investment this year.

Ireland and India have a historical connection and strong ties in the area of arts, culture and sports. How can these be used to enhance economic relations?

The real difficulty is that Ireland is not very well-known in India, except among the elite, many of whom were educated in Irish schools.

We need to make the country bet-

ter known. Culture and entertainment is one good way of doing so. There are three aspects to the entertainment industry in India: Bollywood, cricket, and what I call ‘the rest’.

As far as Bollywood is concerned, we are working closely with the Irish Film Board and Tourism Ireland on projects for a couple of

movies to be shot in Ireland and I am optimistic that they will work out.

Secondly, 60 per cent of the world’s cricket revenue comes from the sub-continent. The World Cricket Cup earlier this year showed not just how strong the cricket connection is between the two countries, but what a great marketing tool cricket is, in a sense which Irish business has been slow to appreciate.

Ireland used to be confused with England, but after our team’s victory over England, I no longer have to waste my time correcting this misunderstanding.

Thirdly ‘the rest’, which includes cultural promotion. The embassy has an active cultural programme which includes the staging of Irish plays, music and dance. George Bernard Shaw’s plays seems to have a great resonance here, probably because they are highly political and debate social issues, and India is an intensely political country.

However, of all the artforms, dance is the best at surmounting cultural and linguistic boundaries. Big musical and dance shows are now beginning to take off in India. If I were granted one wish, it is that a dance company would reconstitute a performance like Riverdance in an Indian format.

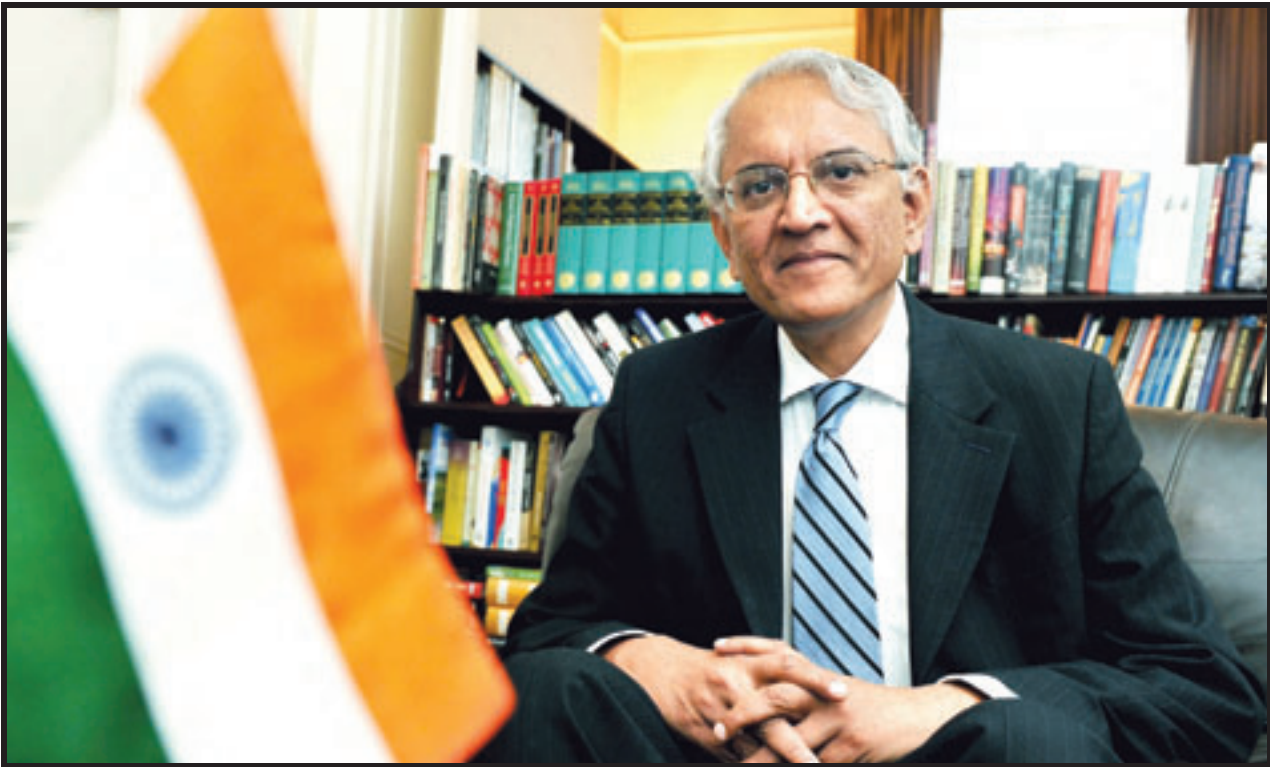
Is there anything in particular that you would like to see happen during your tenure in India?

We need to step up the pace of political visits in both directions. I would like to see the president of India visit Ireland. We also need to have three or four specialised trade missions per year and encourage Indian trade missions to visit Ireland.

We have been slower than other European countries to wake up to the economic potential in the Asian country with which we have had the longest and closest historical relationship.

Plenty of opportunities exist for both countries

PS Raghavan, India’s ambassador to Ireland, talks to **Priya Rajsekar** about the exciting developments in trade that have strengthened relations between the two countries



PS Raghavan: ‘During the first two months of 2011, bilateral trade has registered a 25 per cent increase’

MAURA HICKEY

Your tenure here has witnessed two contrasts – India’s rising economic stature and Ireland’s worsening recession. How do you think the countries can support each other?

I think that the opportunities that exist between India and Ireland arise from economic trajectories that the two countries have had for the last two decades or so and I do not think that the recession Ireland has experienced in recent years has affected it.

If anything, trade between India and Ireland has increased in recent years and during the first two months of 2011, bilateral trade has registered a 25 per cent increase.

One must also remember that trade figures do not count trade in services which in the Ireland-India case is considerably higher than the trade in goods. Overall trade now is worth over €1 billion and growing.

Which key areas do you think Ireland can focus on for bilateral trade with India? Likewise, what are the emerging opportunities for India to invest or expand in Ireland?

Trade is a large canvas because there is a very wide range of manufactures that Ireland

imports. Manufacturing activity here has declined over the decades and almost the entire range of manufactures that Ireland imports are those that India exports. For that reason, it is not a good idea to focus on just particular sectors.

I think that the most instructive way of looking at this is to look at what India exports to the EU and break it down to what India exports to countries similar to Ireland and look at why Ireland is not importing those from India. The same process needs to be reversed to analyse prospects.

Frequently, I come across this opinion in the Irish media or in business circles that India is a difficult market to penetrate into because the business culture is different, and the distance is huge. I ask them to look at Finland, Belgium and Sweden, for example. They are all doing rather well in India and are economies comparable to Ireland both in terms of size and distance from India.

What in your opinion are the main opportunities and barriers to Ireland-India trade?

The biggest barrier is in terms of attitude arising out of a lack of awareness. Reading in

the business media about the powerful growth of the Indian economy does not automatically translate into actual behaviour when dealing with India, because the knowledge is on an abstract plane. It is also easy to form misconceptions and prejudices from a distance. Better awareness can be created through more direct contacts and by experiencing the situation on the ground. Governments are working to bridge the awareness gap.

India is a priority market for the Irish government. But, on the ground, do you think people are as keen to trade with India?

Governments can only point businesses in a certain direction. It is up to businesses to pick up the threads and find opportunities. The harsh realities of profitability and competition will eventually drive businesses to seek avenues with maximum potential because that is how the free market operates.

During your tenure, significant inroads have been made in educational links between the two countries. Do you see education as a huge opportunity? How can you think Ireland

can realise its ambition of doubling student intake from India?

There is no doubt that education is a promising area for Ireland-India exchanges. Every year, thousands of Indian students travel abroad, the biggest destinations being the US, the UK and Australia.

Quite obviously, there is a demand in areas like science, engineering and business management and these are precisely the areas that Irish higher education institutions take pride in.

If Ireland has been unable to exploit this opportunity, there are, in my opinion, some basic reasons for this. The first is the need for a proper marketing strategy, the second the problems associated with the visa regime, the third is the problem with fee structures and then the fact that Irish universities do not work together in promoting themselves in India. They often work individually and sometimes even cancel each other out in their effort.

In terms of fees, I think that right now the fees applying to non-EU students are just too high relative to the brand recognition.

Academic collaborations

too are a mutually rewarding and effective way to build relationships and offer rewards for student recruitment in the medium term, though not instantly.

We have often seen reports in the Irish media that the average Irish person views immigrants more as a threat than an opportunity. What would you like to say to them?

Since we are talking about Ireland-India trade opportunities, I would like to look particularly at the Indian community in Ireland. The Indian community here is different not just from other immigrant communities here but also from other Indian immigrants in much of Europe.

Their profile is specific in that most of them are highly skilled professionals who did not arrive here looking for jobs, but are here because companies and recruitment agents in Ireland went out to India to recruit them to fulfil a felt need for their services.

The latest example is of the HSE taking a delegation to India to recruit junior doctors because there was an identified need for them. There was also a recent Irish Times report that

there is a severe shortage of IT professionals in Ireland. If these companies go out to India to recruit, are they impoverishing Ireland or enriching it?

Your tenure in Ireland is viewed as being very successful and

productive in terms of improving India-Ireland links. How has it been for you? What impressions will you carry with you when you move on?

I have had a wonderful time here during my extended three-and-a-half-year tenure. My family has hugely enjoyed

the experience too. Ireland is a very friendly country that is easy to settle down in. As a diplomat, after you work for a few years in a country, you always take away a bit of that country with you. In the case of Ireland, it will be a much larger bit than most countries.

Foreign expansion Growing your business internationally

Are you considering overseas markets to expand your business and increase your profits? Have you examined the tax and legal implications?

We offer a tailored, cost effective and seamless solution to guide you through the tax and legal aspects of expanding internationally.

Deloitte is the only leading business advisory firm with a dedicated office in Hong Kong, the hub to Asia and Enwright De Sales can be contacted there at ejdesales@deloitte.com

For further information email us at foreignexpansion@deloitte.ie or contact a member of our Foreign Expansion team on (01) 417 2200

www.deloitteforeignexpansion.ie



Deloitte.

Opportunity India

Incredible India

India could be jewel in pharma crown

Priya Rajsekar looks at India's pharmaceutical industry, which is a booming sector attracting the attention of global investors

The country's growing population, widely predicted to be the largest in the world by 2050, also includes a burgeoning middle-class expected to represent about 68 per cent of the population by about 2025. The increasing affordability and changing epidemiological profile, gives rise to an ever-increasing demand for drugs to treat cardiovascular problems, diabetes and other disorders, including chronic ones with a heavy and persistent reliance on drugs.

As a recent PricewaterhouseCoopers (PwC) report put it, India is where the global attention is turning to.

Also thriving is India's generic medicines industry which occupies a global leadership position. And major Indian pharmaceutical companies are also making a foray into original R&D. With a growing skills base in the field, improving manufacturing expertise and globally significant partnerships, India is a market that the world cannot afford to ignore.

Ireland's advantages in the area are also well documented. The country is home to eight out of the top ten pharmaceutical companies in the world and has a successful track-record of relationships with its foreign partners. According to the IDA, of the top ten blockbuster

drugs, six are manufactured in Ireland. And in terms of human resources, Ireland's educational institutions are providing a steady stream of graduates for an industry which employs around 20,000 people.

The favourable corporate tax rate and the 25 per cent research and development tax credits are other factors. This combined with 'industry-relevant' infrastructure enhances Ireland's ability to attract significant inward investment in the sector. The current downturn has also lowered costs – and given the strategic and all-important academic and industry investment in research, development and infrastructure – Ireland continues to strengthen its position as a favoured destination for pharmaceuticals.

It is also widely acknowledged that the global pharma industry is in a transformative phase at the moment. A PwC report entitled *Pharma 2020: Supplying the Future* – which path will you take? focuses on how the industry will need to radically overhaul its supply chains to meet changing market-place demands.

The report also draws attention to the fact that patents on products with sales of more than \$267 billion will expire over the next six years. Other key drivers are expected to be the ushering in of the era of



Brendan O'Regan, founder and chief executive, Zenith Technologies

live-licensing and the gradual demise of mass-market products.

The positive outlook for this sector in terms of Ireland-India trade opportunities is not just a theory. Besides the presence of Indian pharma companies such as Wockhardt and Ranbaxy in Ireland, there are several examples of significant successes of Irish companies in India, including those in the value-added services segment.

Icon plc. is a case in point as is Zenith Technologies and *The Sunday Business Post* caught up with the men behind these

success stories. Icon plc. is a global provider of outsourced development services to the pharmaceutical, biotechnology and medical device industries. The company specialises in the strategic development, management and analysis of programs that support clinical development. Icon has around 7,700 employees, operating from 77 locations in 39 countries, including four in India.

Interestingly, Icon commenced its operations in India in 2002, fairly early when interest in India was still nascent. To begin with, the company hired

a head of clinical operations and began to include some physician sites in India in global trials. In 2005, it opened its first branch office in Chennai to provide support to its data management services worldwide.

"At the time of this initiative, media reports about jobs being 'exported' to India were pretty prevalent," said Peter Gray, chief executive of Icon. "This was never Icon's intention. Like many companies, we recognised the need to include India, and its highly educated workforce in our global infra-



Peter Gray, chief executive, Icon

structure to remain competitive, to be able to provide cover for key areas outside of normal US and European work hours as well as expand our talent base."

Zenith Technologies' story is similar in the fact that the skilled work force has been one of the main attractions. The company provides process control and Manufacturing Execution Systems (MES) solutions to the pharmaceutical industry besides associated services like commissioning, process optimisation, consultancy and e-learning based training.

Zenith Technologies is a privately-held company founded in 1998 by Brendan O'Regan, who is the chief executive. The Cork-based company, which employs about 250 people also has offices in Dublin, India, Singapore, Britain and the United States.

On the reasons for choosing India as a location, O'Regan said: "India came out ahead of other locations on the basis of highly skilled engineering resource availability, the cost of doing business, and the continuing investments that our customers were making in India,

requiring action on our part to support these customers with these investments. There were also a number of Indian engineers working in the company and they were good ambassadors."

However, doing business in India does involve challenges and in Gray's experience, legal issues have been a stumbling block. In Zenith's case, O'Regan said that the challenges of operating in the Indian market are similar to those in other locations where Zenith has operations. Retention of staff, maintaining and improving efficiency and quality issues are in his opinion, the main hurdles.

On infrastructure, O'Regan echoes the well-documented view that ground transportation poses huge challenges. He is less critical of power outages, which he says is showing reduction.

One reason why countries including Ireland find it hard to compete with India is the low operating costs. In Icon's case, this coupled with the easy availability of patient and gene pools for trials creates a huge opportunity, according to its chief executive.

Gray is generous in his listing of the strengths in the Indian market. This includes the advanced capabilities in technology, a modern hospital infrastructure and the presence of an English-speaking workforce.

In an industry such as pharma where intellectual property is highly valued, Gray said "India's world-class laws have boosted industry confidence".

O'Regan agreed with Gray on the opinion that significant growth in India's pharma sector was due to the availability of an English-speaking work-

force. The emerging trend of Indian companies moving from the contract manufacturing model to manufacturing their own products is also creating huge opportunities in the sector, according to him.

Evidently, the growth in the sector is fuelled by key initiatives by industry and government. For instance, Gray points out that India is one of the first countries in the Asia-Pacific region to start a clinical trials registry leading to improved transparency and public accountability. The fact that Indian data is also accepted by the United States FDA for drug approvals adds to the attractiveness of the destination.

Outlook for the pharma sector in both India and Ireland remains positive. There is also scope for the duo to work together to maximise benefits.

"The business process outsourcing (BPO) model is well proven on a large scale in India and this outsourcing opportunity can be leveraged to deliver cost benefits to Irish companies," O'Regan said.

That India is a future power centre for the industry is evident from the growth and marketing strategies of both Zenith Technologies and Icon.

Icon, according to Gray, will continue to expand in India in tandem with the industry.

"India is fast becoming a hub for global clinical trials and has risen to a position where it is expected that almost five per cent of all global clinical trials will be conducted in the country by 2012," he said.

Zenith too is keen to strengthen its connections with the country. "India has been an essential part of our services mix and actually a prerequisite for doing business with some customers," O'Regan said.

Success story has valuable lessons for Irish firms

Priya Rajsekar talks to Kiran Mazumdar-Shaw, a great role model for Irish people looking to carve out a business niche in India



Kiran Mazumdar-Shaw, chairman and managing director of Biocon

RYAN LOBO

For anyone in Ireland looking for inspiration to start a business in India, there are arguably few role models more suitable than Kiran Mazumdar-Shaw, chairman and managing director of Biocon, India's largest biotech company.

The recipient of several awards, Shaw also featured recently in Time magazine's list

of the 100 most influential people in the world. She has also served on the board of the Science Foundation Ireland and is currently Honorary Consul of Ireland in Bengaluru and Honorary Patron of the Ireland India Business As-

sociation. Earlier in her career, Shaw worked as trainee manager at Irish firm Biocon Biochemicals, and in the same year founded Biocon in India in collaboration with her former Irish employer.

It has been a long and highly

rewarding journey for Shaw, who is now considered the richest woman in India. Below, she shares her insights on surviving the downturn and on enhancing Ireland-India trade.

You are where every entrepre-

neur hopes to be. Ireland today needs people like you who are willing to take risks and face challenges head on. What has been your motivation? Can you give us a brief picture of how impossible it seemed sometimes and how you persisted?

Entrepreneurs are driven by a spirit of challenge and a sense of purpose. For me it was about proving myself as a good female business manager and, as a pioneer, I had to demonstrate that biotechnology was a real business. I was also keen to provide exciting job opportunities to Indian scientists, especially women scientists, and reverse the brain drain from India.

You mentioned in a recent Irish Times article that Ireland grew too complacent during the boom years. Do you believe that the current recession is a chance for people to shake that complacency and put the country on the path of growth again?

Complacency is always a huge deterrent to sustained success. It is hard times that

get the best out of people and economies. Ireland is resilient and people are driven by a sense of pride, so I have no doubt that Ireland will tide over this recession and adopt policies that support growth and investment.

The 1990s saw Ireland attract a number of manufacturing companies largely in the pharmaceutical space which have made Ireland a key hub in pharma manufacturing. The danger is that Ireland is losing this strong advantage to countries like India and China, and it is imperative that Ireland quickly formulates a plan to retain this industry.

A sad consequence of the recession in Ireland is that of young graduates finding it hard to get work – the sense of demotivation is detrimental to the interests of our young people and the country. How can they help themselves and others?

The government will have to play an enabling, as well as a supportive, role through poli-

cies and incentives that support entrepreneurs and young companies, because these are the large job-creators – not large multinationals that are in the process of downsizing and shutting shop wherever they believe they can afford to do so. This is where countries make mistakes in not doing enough for SMEs that are the real job-creators and economy drivers.

India is on the radar for most of the world in terms of trade. How can a small country such as Ireland compete? What do you think Ireland brings to the table?

India and Ireland are natural partners, and this is a unique time for companies and entrepreneurs to come together for building partnered models for global markets.

Ireland is strong in innovation and Indian companies are strong in development – a good model for partnered R&D. Ireland's size makes it far more nimble than India, and here is where such partnered models

can leverage off each other's strengths.

Biocon in India worked in perfect synergistic harmony with its Irish partner way back in the 1980s when India was steeped in bureaucracy and Biocon accessed global markets through Ireland.

India's investment abroad is also growing. How can Ireland attract a share of this pie? Do you think Indian businesses have a different set of expectations than, say, American or British businesses when it comes to choosing an FDI location? If yes, what is the Indian mindset?

Ireland offers a tax-efficient gateway to Europe and even the US. Indian companies must be wooed to establish their European bases in Ireland. I believe that in the recent past, Ireland got complacent and did not do enough to focus on potential investors from India, and the time has come to make a focused pitch to Indian companies. India, I can say, is ready and Ireland needs to act fast.

Banking on good relations between trade partners

By Margaret O'Brien

With hopes firmly pinned on an export-led economic recovery, Irish exporters are looking beyond traditional markets, specifically to the four largest high-growth emerging economies of Brazil, Russia, India and China, known collectively as the BRIC countries.

While it is acknowledged that inroads have been made into the Chinese market, people are possibly less aware that Irish agencies have been busy laying a strong foundation for exporters keen to exploit the huge potential of the Indian market. Donal Duffy, head of Enterprise Ireland relations, and Derek Collins, director, Inward Investment with Bank



Derek Collins



Donal Duffy

to meet their requirements," Collins said. "We have opened doors and developed key networking opportunities for our export clients within India."

Tony Martyn, director at Bank of Ireland Corporate Banking, said: "The push into India has been developing over recent years. An important step along the way was the establishment of the Ireland India Business Association (IIBA) in 2008, of which Bank of Ireland Corporate Banking is a founding member. Predominantly a networking-based organisation, the aim of the IIBA is to foster relations between the two countries."

Martyn said the IDA and Enterprise Ireland were also among the association's founding members.

"Networking is essential when trying to gain a foothold in a new market," said Martyn.

However, he said that "networking needs to be focused in order to be effective".

"For example, in the infrastructural sector, some Irish firms already have operations in India," Martyn said. "A meeting with representatives of those organisations could prove extremely beneficial to an Irish company entering the Indian market, a market that has its own unique features and customs."

While Irish exports to India are currently service-led, that scenario is expected to change in future years to product-led exports. "There is a concerted effort taking place to expand exports to India in the areas of clean tech and software which are seen to be more amenable to growth over next 12 months," Duffy said.

Apart from helping Irish exporters make appropriate con-

tacts, Bank of Ireland also provides a full range of financial products and services to Irish exporters. These include trade finance, correspondent banking, invoice finance, currency risk management, electronic banking solutions and access to equity funds.

"Protecting businesses against the risks associated with international trade, particularly in emerging markets, is key, which is why Bank of Ireland's full service offering coupled with our knowledge of the Indian market is so important to the success of our Irish exporter clients," Duffy said.

On the flipside of Ireland's growing relationship with India, Bank of Ireland also provides significant supports to businesses looking to invest in Ireland. "We have seen a significant increase in enquiries from Indian businesses inter-

ested in investing here," Martyn said. "The focus seems to be on a number of sectors, in particular business process outsourcing, renewables, food sciences and pharmaceuticals/biotechnologies."

"Ireland's improved competitiveness is putting us in the frame. Interestingly, in the past when companies were outsourcing business processes they looked to India, but that trend is reversing and companies are now looking to have those processes moved back to domestic or near domestic markets."

"On foot of that development, Indian companies are looking to set up operations in Ireland to not only service the Irish and British markets but also the EU market."

"Bank of Ireland has already had several meetings in both India and Ireland with the main players in the BPO

sector and together with the IDA we are confident that some of these companies will invest here."

Summing up the prospects of greater trade between Ireland and India, Duffy said: "We have already established good networks in India to complement the work by Enterprise Ireland and the IDA. One trait we have in common is Indian people like us and they prefer to do business with people they know, understand and have built a relationship with. To this end, our having a framework and contacts already in place is a big plus for our Irish exporters."

Derek Collins, Donal Duffy and Tony Martyn lead the dedicated team at Bank of Ireland to manage Ireland India inward investment and overseas trade

Incredible India

Opportunity India

KPMG is growing with India

India's economy is growing at a tremendous rate, creating lucrative opportunities for businesses. Priya Rajsekar reports

When it comes to venturing into the Indian market, it is no longer a question of 'if' that is playing in the minds of ambitious businesses and economies, but one of how rapidly success can be achieved.

The US aims to place India in its list of top five trading partners over the coming years; the EU-India FTA is highly likely to be signed this year; Britain has placed India at the very heart of its bilateral trade agenda; and China is keen to build a closer partnership with the country. In recent years, Ireland has also been courting India with increasing vigour and endeavour.

As one of the emerging BRIC economies (Brazil, Russia, India and China), India's growth is not a temporary phenomenon.

Within the next decade, India is poised to become the world's third-largest economy with a booming middle-class and over 25 per cent of the world's young population.

The increasing purchasing power and the steady demand for goods and services, combined with continued urbanisation, provides a plethora of opportunities for business in virtually every sector and region of the country.

About two decades ago, India was not expected to take pride of place among the world's leading economies. The colonial history of India is fraught with economic struggles and, after its independence in 1947, it took the country over five decades to reclaim its historic position of global economic leadership – it went from commanding about 30 per cent of the world's income in the mid-1700s to a dismal 3.5 per cent or so when India took its first independent breath.

The liberalisation of the economy in the 1990s set the tone for India's mammoth strides to economic excellence, and changed the course of India's destiny.

It is now predicted that India will surpass China in the coming decades in terms of economic growth and that, by 2050 and perhaps even earlier, India will have the largest population in the world – it already is home to 17 per cent of the world's population.

"KPMG's growth story in India is reflective of the opportunities in the country," said Mike Gibbons, partner at KPMG's audit practice with



Mike Gibbons, partner at KPMG's audit practice, and Anith George Philip, associate director in KPMG

MAURA HICKEY

an expertise in the infrastructure, government, healthcare, property and transportation sectors. "In a span of about 15 years, KPMG has grown from a small office to a 7,000-employee company."

Gibbons said he found the scale, size and pace of India quite remarkable. He also pointed to the challenges posed by the sheer vastness and diversity of culture, food, language and religious backgrounds in the country.

"The layering of the caste system is not very well understood outside India, and you wonder if that affects buying decisions," he said.

But with the world's attention on India and increasing media coverage in Ireland, more companies are expressing an interest in the market.

Anith George Philip, associate director in KPMG, and also an active member of the Ireland India Business Association (IIBA), said that there was a lack of awareness in Ireland concerning the Indian market.

"A lot of people do not seem to know where to go or how to start," he said.

KPMG has several branches in India, and caters to many high-profile clients operating in the Indian market. Gibbons echoed the sentiment of companies that had had a taste of the Indian market, saying it was best to work with an Indian partner.

"In sectors such as real estate, joint ventures are the best route because the magnitude of the paperwork and the complexities of the licence regulations and permits are just too much," he said.

On the subject of attracting inward investment from India, Gibbons said there were differences between markets such as that of the US – where Ireland has had spectacular success – and India. He said the absence

of a strong Irish diaspora and the fact that India was not looking for a cost advantage in Ireland called for a different approach to the Indian market.

Philip said that Ireland had not promoted itself well enough in India, and stressed the need for an intensive branding exercise.

"Relative to other countries, Ireland does very little to market itself," he said. With countries big and small eyeing the Indian market, Ireland needs to step up its marketing efforts and prioritise its initiatives in India, as time is of the essence.

Sector perspective

A recent KPMG publication entitled the India Imperative gives an excellent overview of opportunities across a wide range of sectors, many of which are focus areas for Ireland. With the government allowing 100 per cent investment in a wealth of sectors, the opportunities are huge. A few are represented below.

Transport infrastructure

Anand Sharma, India's Minister of Commerce and Industry, recently said that India's infrastructural budget would reach \$1 trillion over the coming years. According to the KPMG report, the sector registered a 7 per cent increase in October 2010 compared to the previous year, and private sector share of investment has increased to 25 per cent for the forthcoming five-year plan commencing in 2012. In some areas such as ports and airports, public private partnership financing exceeds 60 per cent. So where do the opportunities lie?

■ **Roads:** the National Highways Authority of India is to award 24,000 kilometres under the National Highways Development Project to the private sector over the next four years.

■ **Ports:** with a combined capacity of about 1.5 billion tons by 2012, further growth will come from expansion plans that include a fourth container terminal at the Jawaharlal Nehru Port trust at an estimated cost of \$1.44 billion.

■ **Airports:** India's civil aviation market is expected to be in the top five in the world over the next five years. The Airports Authority of India (AAI) is likely to spend over \$1 billion on the upgradation of non-metro airports

■ **Rail:** an 11 per cent growth was observed in passenger earnings in 2010 and there are plans to add 25,000 kilometres of new lines as per the Vision 2020 white paper on developmental goals for the sector.

Education

India has a network of over one million schools and over 25,000 higher education institutes. Valued at \$50 billion in 2008, the sector is expected to grow at a 12 per cent CAGR to \$80 billion by 2012.

The sector also involves a huge government spend of about \$30 billion. Opportunities are plenty in this sector:

■ It is predicted that India will need over 1,000 universities and over 35,000 colleges over the coming decade.

Pharmaceuticals

The Indian pharmaceutical industry (IPI) ranks third in terms of volume and 14th in terms of value globally, with a double-digit growth rate that is higher than the global rate.

■ India's domestic market has seen population growth, increasing affordability and improving healthcare. Changing lifestyles are also giving rise to an increase in chronic illnesses such as diabetes which involve a steady and continuing dependence on drugs.

■ The generic drugs market is booming, with India emerging as a world leader in this segment in light of an estimated \$137 billion worth of drugs expected to go off patent in the next five years.

■ Leading Indian companies are investing heavily into R&D with over 60 new chemical entities in various stages of development.

■ India is gradually emerging as the preferred outsourcing destination for activities spanning the pharma value chain.

■ The Contract Research and Marketing Services market is currently valued at \$3.8 billion.

■ Biotechnology is poised to become one of the major drivers with a market in India estimated at \$3 billion.

Telecom

The successful conclusion of the 3G and BWA spectrum is expected to further propel growth. Opportunities are plenty in this sector.

■ The 11th plan period anticipates an investment of about \$54 billion in the telecom infrastructure sector by 2012.

■ By 2012, fixed-line revenues are expected to touch \$12.2 billion and mobile revenues close to \$39.8 billion.

■ With the roll-out of 3G, an estimated 275 million Indian subscribers will use 3G-enabled services and the handset market is expected to reach about 395 million by 2013.

■ Mobile value-added-services sector is valued at around \$2.45 billion, which is expected to grow by 12-13 per cent in 2011.

■ Opportunities in this sector exist in areas of academic collaboration, student recruitment and e-learning, to name a few.

■ It is expected that the Foreign Education Bill, if passed, will allow foreign educational institutions to set up campuses in India.

■ India plans to establish 14 world-class innovation universities and has invited the world's top educational institutions to mentor the initiative.

■ The size of an Irish company's international operations, the investment level and expected profitability of the Indian enterprise will dictate the most appropriate commercial structure to employ in India.

Banking and financial services

The Indian banking system's resilience in the face of the recent recession attracted global recognition. The market size in 2010 was about \$1,105.35 billion, with projected CAGR between 2010 and 2014 at 16 per cent. India also has the world's fifth-largest life insurance market in the emerging economies segment with a healthy 32-34 per cent growth rate. Opportunities exist across a spectrum of services and are a key area for Ireland-India trade.

■ Total banking assets are expected to grow to \$2,764.6 billion by 2014.

■ Demand in SME finance, agricultural and rural finance sectors is growing rapidly.

■ Non-life-insurance market size was about \$12 billion in 2010 and growing.

■ Life insurance CAGR growing at 15 per cent over next five years to \$98 billion.

■ Asset management and mutual funds expected to grow at 17 per cent to become a \$2975 billion industry by 2014.

■ Emerging opportunities in private equity, venture capital, structured finance, real-estate finance, leveraged finance and ancillary services.

India's spectacular transformation, long-term positive economic outlook and favourable demographics have catapulted the country into the globe's economic elite. India is now a recurring subject in the bilateral trade agenda of most countries. Given its cultural and historical links with India, it is imperative that Ireland works more closely in a partnership of mutual benefit and growth.

A smooth passage to India.



REFRESHINGLY SMOOTH
PREMIUM BEER
COBRA
कोबरा

Enjoy Cobra Sensibly.
visit drinkaware.ie

www.cobrabeer.com

Molson Coors Ireland, Block H6, Maynooth Business Park, Co. Kildare.
Tel: 01 651 0876

Investment vehicles for Irish investors

Foreign investors to India largely choose a corporate structure as a vehicle. This is in view of the restrictions in India on operating through anything other than an Indian company. However, in some circumstances, non-corporate routes can be chosen to suit the needs of the business or investment.

Liam Lynch, partner at KPMG with expertise on tax and legal services, corporate tax, international corporate tax and property, shares his insights on investment vehicles available to Irish companies.

■ **Liaison office:** this provides a simple way to have an initial presence,



Liam Lynch

though criteria include a track record of three years' profitability and a net worth of at least \$50,000. Also, manufacturing or active sales in India are not permitted.

■ **Branch office:** restricted to limited functions such as sale and marketing of products, and the provision of consultancy or IT enabled-services. Manufacturing activities are restricted to certain areas. Criteria include five-year profitability and a net worth of over \$100,000. The branch would be subject to normal Indian tax and profits can be repatriated.

■ **Project office:** a non-Indian company can perform a specific contract in India but must close down on contract completion. Typically used for construction-type contracts and taxation similar to branch offices.

■ **Corporate route:** for the

manufacture of goods or the use of a shared services centre or a back office function, it is necessary to set up an Indian company which is likely to be either a wholly-owned Indian subsidiary or a joint venture Indian company. In addition, an Indian company would be needed for financial services activities such as banking, insurance or fund management. There are no withholding tax on dividends, but an additional corporation tax of 16.23 per cent is payable when an Indian company pays a dividend.

The profits of Indian companies are subject to

Opportunity India

Incredible India

Making the most of India

India offers hugely significant opportunities, not just for exports of goods and services, but also in terms of foreign direct investment (FDI) into Ireland, writes **Priya Rajsekar**

According to the Indian Brand Equity Foundation (IBEF), India has made outward investments worth \$80 billion over the past decade, with the most favoured destination being Britain and the US.

In recognition of this potential, Ireland has in recent years stepped up its initiatives to attract Indian investment. The future strategy report of the IDA, entitled Horizon 2020, targets 20 per cent of green-field investments from emerging markets by 2014, with India being one of the focus areas.

“We have a very strong commitment to India,” said Gerry Sharkey, manager, High Growth Markets, with the IDA.

Indications of this are the opening of a new branch in India and an increase in the number of staff at its Mumbai office, which was opened in 2008. The IDA, which has an excellent track record of success in

North America and Europe, has decided to deflect staff from this market to newer ones.

“We felt that the time was right and Barry O’Leary, the IDA’s chief executive, is on record as saying that we should have been in India earlier than 2008, though it wasn’t feasible at that time,” Sharkey said.

In terms of human resource strategy, the IDA has also taken a different approach to India. Traditionally the IDA is used to placing its Irish staff in foreign branches, but in the case of India, local Indian resources have been recruited for the job.

“The complexities of the Indian market necessitated this move,” said Katie Thurston, business development executive, High Growth Markets, at the IDA.

According to Thurston, this has worked out very well, given the fact that added to their expertise on India, spending time at the headquarters in Dublin has also familiarised IDA’s Indian employees with Ireland and the opportunities here.

The IDA focuses on the key sectors of IT-BPO, life sciences, the generic pharmaceutical industry, biotechnology, medical devices and financial services.

The strategy is to concentrate efforts on the top 50 companies in each sector and in the case of India, on big family businesses such as the Tatas, Birlas, Ambanis and about 15 others that are major conglomerates.

Sharkey is very optimistic about the IDA’s prospects in India. “Currently we have had quite a bit of activity coming from India and hopefully we will be in a position in the next three months to announce business from there,” he said.

The agency has recruited the services of Text 100, an Indian PR firm to position the IDA and market its image in India.

The contribution of the Irish Cricket Team has been very valuable, according to Sharkey.

Sharkey believes that the presence of a few major Indian compa-



Gerry Sharkey, manager, High Growth Markets, IDA: ‘We have a very strong commitment to India’

TONY O’SHEA

nies in Ireland will make it easier for the IDA to attract more as a knock-on effect. There is a lot of expectation around the announcements the IDA hopes to make soon. With IT being an area where IDA has had significant success, it is hoped that major Indian IT firms such as Infosys, Wipro and HCL will also look at Ireland favourably.

According to Sharkey, talks with HCL are on and it is hoped that the company, which employs about 2000 people in the North, will con-

sider the south as well. He believes the BPO sector is one that Ireland is strong in, especially in the area of multilingual capability.

Given the IDA’s long experience in dealing with clients from North America and Europe, it may be a different dealing with Indian businesses.

“Basically US companies tend to be very individualistic in their approach,” Sharkey said. “Indian companies like to come into a market where they acquire somebody.”

In his experience, Indian companies seem to have a constant need for information and the IDA does its best to oblige. Typically, before a prospective client visits, the IDA will put together a programme of meetings with key contacts like tax experts, banking experts, recruitment agencies, legal experts and others. Where the M&A route is being considered, the IDA tries to find suitable matches and initiates dialogue.

Sharkey is happy with the IDA’s

role in job creation. To date, about 140,000 jobs have been created and the Horizon 2020 strategy targets an additional 105,000 jobs by 2014.

“So far we have exceeded our targets, both last year and in the first six months of this year,” he said.

With a combination of key businesses from the US and business from key emerging economies, such as India, the IDA hopes to have the right blueprint to place Ireland on the world map as a choice location for inward investment.

Welcoming students to Ireland with open arms

By Marie Heraughty

The primary objective of Ireland’s first international education strategy, 2010-2015: Investing in Global Relationships, says: “Ireland will become internationally recognised and ranked as a world leader in the delivery of high-quality international education by providing a unique experience and long-term value to students”.

The nuances of this key objective – a unique experience and long-term value – may have been overlooked to date in media reports that focused more on the economic benefits of recruiting international students and Ireland’s 1 per cent market share of the approximate three million students who undertake study overseas.

Ireland’s late arrival to international education may in fact be our opportunity. Most coun-

tries that have seriously engaged in international recruitment activities have benefited from government-sponsored initiatives backed by substantial funding.

So what, if anything, can Ireland do differently? In a blog post in 2010, Ferdinand von Prondzynski, former president of the DCU and currently principal and vice-chancellor at Robert Gordon University in Scotland, said: “We should develop international education not as a revenue generator, but because it is the right thing to do in providing an educational experience. Seeing international students as a source of subsidy for Irish students is both morally wrong and tactically unwise.”

This does not preclude international student recruitment but considers it as a component part of a comprehensive internationalisation. The statement mirrors the research findings of leading experts in the field of international edu-

cation. What Ireland can do is build on the growing experience gained in other countries, and focus on enhancing the international student experience.

By 2020, India’s goal is to provide some 70 million additional places in third-level education, to reach an enrolment target of 30 per cent of its population in higher education. India cannot do this alone, and is developing partnerships with many countries in order to deliver on its targets.

Ireland can, and should, do much more, by engaging collaboratively to provide solutions to the ambitious targets India has to increase participation in higher education.

Providing education overseas is not new to Ireland. In India itself, networks of Irish schools have existed for over 100 years, including among others Presentation Brothers, Christian Brothers and Loreto schools.

New partnerships between Indian and Irish schools have

been developed through the WorldWide Programme, funded by Irish Aid and managed by Léargas. Asit Ghosh, principal of Bratachari High School in West Bengal – which is linked with the John Scottus School in Dublin 4 – said that the “communication and on-going contact between groups is central to linking, getting an increased understanding of each other, exchanging experience and building relationships of friendship”.

“India’s top colleges have extremely stringent admission procedures and very few places, forcing Indian students to look outside for quality education – and this situation is set to continue,” said Priya Rajsekar of College Canteen, a start-up social network for students, academics and businesses.

“By marketing its strengths better and offering students a cost-quality benefit, including employment prospects, Ireland can attract more Indian students. As things stand, Ireland

is not a first or second-choice destination for Indian students, primarily because it is less well-known and also because, in terms of cost, it is just as expensive as other destinations that have a long track record of educating Indian students.”

Experiencing first-hand the eagerness for education among young Indian students is a wake-up call to those who think that education is their birthright. Yet exposure to international students or an overseas experience is not an automatic guarantee of cultural enrichment and may simply reinforce insularity.

To be transformative, an “informed, engaged and reflective approach across the curriculum and the broader student experience is called for”, according to Elspeth Jones, professor of the internationalisation of higher education at Leeds Metropolitan University.

Comprehensive internationalisation is a powerful force

for change that enriches the learning experience for domestic and international students. At a micro-level, it is shown by valuing international perspectives from colleagues; offering opportunities, both formal and informal, for professional development related to internationalisation.

“We are now reaching the point where internationalisation is regarded not simply as the way in which we treat the international students in our midst, but the manner in which we recognise that all members of the university community can become international in their perspective and competence, as the university embeds internationalisation in all it tries to do,” said Professor Christine Humfrey of the University of Nottingham.

For institutions to engage successfully in internationalisation, strategies endorsed by leadership and services on the grounds are required to ensure students’ needs are met, thus

facilitating their cultural transition. “The integration of Indian and other international students involves a lot more than an airport pick-up on arrival and access to a student support desk,” said Rajsekar.

“It would be unfair to generalise, but certainly more can be done to make the student feel welcome and appreciate what he or she is able to offer to the cultural and social fabric of the institution. In a globalised world, an intensive multicultural experience will hugely benefit Irish students as well. Rather than being viewed as ‘temporary’ additions to the university campus and a source of revenue, they should be viewed as long-term ambassadors and custodians of invaluable cultural and social wealth that can be shared and enriched for mutual gain.

“At College Canteen, we believe the relationship-building exercise should start before the actual recruitment process and continue well beyond the dura-

tion of the course.”

A good example of initiatives in supporting international students is UCD’s global lounge, where international and Irish students can find a friendly and relaxed social space to meet.

The impact of such events sends a clear message to students that they are welcomed and valued as people who have their own unique contribution to make during their stay.

By putting the international student at the heart of the recruitment and education process Ireland can hope to achieve what its strategy set out to do.

Marie Heraughty, an international education consultant, was formerly head of international affairs at DCU. She now lectures on Britain’s first MA Programme for Management of International Higher Education designed and delivered through Edge Hill University, Liverpool

A serene presence of mind

By Priya Rajsekar

It is not every day that one gets to meet a person who has sacrificed their whole life in the service of humanity. Or a person who represents a whole community that has served as Ireland’s ambassadors to India for several decades.

There is a sense of nervous excitement as I walk into the rather imposing green gates of her convent in Lucan to meet 84-year-old Sr Loreto, who has spent most of her adult life in Chennai, India, teaching at the St Joseph’s Anglo Indian School of the Presentation Order.

Sr Loreto was 16 when she sailed to India and it was not until 16 years later, when she came to Ireland on her first annual holidays that she realised how heavy a toll it had taken on her mother, who had, with a heavy heart, permitted her to go to India to do the work of God.

In the decades that followed, Sr Loreto learnt a few Indian languages, including Tamil, Hindi and a tribal language called Santali, spoken by the Santhal tribes of Jharkhand in Bihar. She regards this period



Sr Loreto with Aine Edwards who works for Gislen Software in Chennai MAURA HICKEY

of three years spent teaching tribal children the happiest of her life. “It was the simplicity of the people that I loved,” Sr Loreto said.

I ask her if she thinks Ireland has changed much since

she left. “The people here are still happy despite the troubles and suffering, but there is something lost now that was there before,” she said. “You see people hopping off into their cars all by themselves all

the time. The family feeling is gone.”

She believes that Ireland got rich too quickly, but failed to manage that wealth. “I love my life in India and I love the people,” she said when I asked

her if it was difficult to settle down in a different country.

The Anglo-Indian community that she spends the most time with has changed as well. There is also a tendency to leave the country if they can, and the Anglo-Indian population is shrinking because of this.

“It is a little sad when you think about it,” she said. “There is this feeling that they are discriminated against and also a sense of superiority and they leave if they can prove their ancestry. Yet they need an Indian passport to travel.”

She is conscious of the fact that hers is a community that is fast fading in India. However, there is pride at the work that has been accomplished.

I ask her if she thinks it is a good idea for young Irish people to go to India to work.

“Why not?” she said, adding that once you visit India, you return transformed in some way. “India is a very rich country with too many poor people.”

It is time to leave and I reluctantly drag myself away from Sr Loreto, who was Margaret Houlihan from Waterford, in another life. But I feel compelled to speak to her in Tamil and she giggles excitedly as I start a conversation.

Building for the future in a country on the rise

By Prabhu Kulkarni

The prices of apartments and houses in India’s mega-cities, each with a population of well over 10 million people are sky-rocketing.

These cities exhibit wonderful and fascinating architecture, world-class commercial malls, industrial estates and skyscrapers, but also suffer from chaotic traffic and infrastructure. They are adding commercial building sectors, new office blocks, Indian and international trading companies, shopping centres and facilities for the hospitality industry, but slums also continue to grow.

The urban population of India will increase from about 25 per cent at present to over 45 per cent by 2030. Most of this population increase will be in cities with a population of one million to five million inhabitants. There are about 42 cities scattered across India which are classified as tier two and three. These cities are enriched by the growing financial income from agricultural and commercial products. This has created large employment, in-

creased local prosperity and fuelled a growing consumer boom in these cities.

Last April, US TV channel CNN reported that Aurangabad, a tier-three city, bought 151 brand new Mercedes-Benz cars, spending nearly \$15 million in a single day.

All Indian cities, particularly those in tiers one, two and three, also have a growing commercial building sector. In spite of growth in the hospitality sector, there is an acute shortage of medium and low-cost hotel accommodation. These sectors offer high potential to Irish SMEs and investors.

There are a number of local construction companies successfully operating in these cities that are keen to attract foreign investment and expertise. An investment of €500,000 to €5 million (INR30 million to INR320 million) in an Indian company will increase its potential to borrow local and international funds, and diversify its portfolio. There is an acknowledged shortfall of about 26 million low to medium-cost homes in the tier two and three cities. This offers long-term continuity to the Irish investor in cooperative ventures with Indian

partners.

The Indian healthcare industry is considered to be next best thing to IT, and is expected to become a \$280 billion industry by 2020. To achieve this potential, a recent Ernst & Young study showed that India would require another 1.75 million beds by the end of 2025. The public sector, however, is likely to contribute only about 15-20 per cent of the required \$86 billion investment.

Other construction industry sectors are expanding on a similar scale; opportunities are available in all tier two and three cities. Irish companies need to evaluate and check the records of potential Indian partners before reaching agreements. The Indian community in Ireland, who represent an underutilised asset, could also offer useful contacts to potential Irish investors.

Prabhu Kulkarni is India director of the Irish Exporters Association, president of Ireland chapter of the Global Organisation of People of Indian Origin and trustee of the London-based international Society of Chemical Industry; email pkulkarni@irishexporters.org

Incredible India

Opportunity India

Valuable lessons for the future

Professor Brian MacCraith of DCU has a vision for his university that extends far beyond merely equipping students with a degree

Professor Brian MacCraith, president of Dublin City University (DCU), views education as a means to a much greater end than getting a degree. He sees it as creating a societal awareness in his students that will inspire them to work for the larger good of mankind and for a much bigger global cause that encompasses a lot more than just a means for livelihood.

For a university that in just 20 years has become one of the world's leading educational institutions and one that has been recently named the Sunday Times University of the Year, it comes as no surprise that its plans for interna-

tional academic collaborations and student recruitment include India in a very significant way. "There is a natural affinity between Ireland and India," MacCraith said. He cited the shared history and mutual cultural attraction between the two countries. "The Irish are good at building relationships," he said, which is why Ireland has succeeded in India where some others have faced difficulties. The focus is clearly on a "long-term sustainable partnership". "We hope to have a reputation for raising Indian cultural understanding, because any international strategy that does not incorporate an appreciation of multicultural issues is bound to fail," MacCraith said.



Professor Brian MacCraith, president, DCU: 'International strategy that does not incorporate an appreciation of multicultural issues is bound to fail'

MAURA HICKEY

It is evident that DCU has made a clear choice to distinguish itself from the average foreign educational institution which is in markets like India and China merely to "poach" students.

Instead, the university aims

to build a long-term, symbiotic relationship with top-class Indian universities and industries. In India, DCU wants to be a part of the positive societal change that will affect global issues such as clean water, en-

ergy, provision of health and education. MacCraith identified India as a core focus area very early in his tenure as president and not long after taking up office started a series of visits to the country. It was during one such visit

and a meeting with the Indian Minister for Science and Technology that the clear points of intersection of India's needs and Ireland's strengths emerged. "Our focus here at the university is society-oriented research and essentially in India it is the same," he said. "So we will look for opportunities within those spaces." The university, in response to a need identified in the e-learning sector, is in talks with a company that is a very major player in this sector. According to MacCraith, DCU looks poised to obtain World Bank funding for a project which will enable fibre-optic connectivity between the university campus and a range of campuses in India. This is the university's response to a need identified from meeting the Director of the National Knowledge Network in India which has been responsible for the 'country-wide classroom' initiative. It is easy to see why DCU's visionary ideas are being so warmly received in India. The university has several successes

under its belt with several more in their last stages. Besides projects with India's leading universities such as the Indian Institutes of Technology (IITs), in Delhi and Chennai, the Indian Institute of Science, Bengaluru, and the Indian Institute of Management, Bangalore, DCU also has signed an MoU in the humanities department of the Jawaharlal Nehru University. Though academic collaborations are key, it has to be complemented with a partnership with industry. In keeping with this view, he has also laid strong foundations for industry collaborations in India. MacCraith sees DCU as a University of Enterprise, one that will create graduates, not just strong in their chosen discipline but with the societal awareness and soft-skills that will help them bring about global development and make them highly employable. As a result of the shift towards the east, India is being wooed by a lot of big countries with an eye on the education sector. So what is Ireland's unique selling point?

MacCraith believes that Ireland's open collaborative approach and its niche expertise will help the country succeed in India. He also draws attention to the cultural affinities, the bridge built by Ireland's cricketing success and the deep-rooted goodwill created by Ireland's Christian Missionaries. The easing of visa regulations, the presence of a highly talented Indian migrant population in Ireland and a focus on India at the top level of government are also favourable factors. At a time when Ireland is counting on its collective strength to emerge from the current economic crisis, DCU's vision and achievements in India are hugely inspirational. It feels natural and right that DCU, which seems to constantly look at the bigger picture, aspires that one day it will establish an Institute of Indian Studies. It is, after all, only logical that a university that aspires to be among the world's best will seek to partner with an emerging world leader.

Identifying the best approach

By Priya Rajsekar

It is not every day that an Irish company gets a mention on the front page of the Wall Street Journal," said Tony Murphy, chief operating officer of Daon, an identity solutions company based in Dublin. However, that is exactly what Daon achieved, when it was mentioned in a lead story about India's ambitious project to create a unique identification number for each of its 1.2 billion people. Titled Aadhar, meaning foundation or support, the project is taking place under the aegis of the Unique Identification Authority of India (UIDAI) and is expected to facilitate a more efficient distribution of welfare among the Indian population. Given the sheer scale of the project, the stiff competition to bag the contract and the pace at which it has been turned around makes for a really fascinating story. Nearly every major IT company had applied for the job, said Murphy. "It is fair to say that the UIDAI had attracted the focus of the world's IT corporations," he said. The proposal from Accenture, Mind Tree and Daon finally won the contract, with Daon



Tony Murphy, chief operating officer of Daon, holds a keepsake from India's Aadhar project team

responsible for the design and build of the UID Biometric Solution. Daon is a high-end tech company that has carved a niche for itself around the world's leading economies, with clientele including nine of the G20 governments in the world. Daon offers solutions in border management, immigration control, national id, e-passport and trusted traveller or expedited traveller movement through airports. Daon's technical resources are unique in that they have

either been attracted to the company by the scope of its operations or are basic engineering graduates trained to a high degree of expertise in-house. So what is Daon's advice for companies wanting to operate in India? Murphy has a list of ten tips for doing business in India: 1. Your product or service needs to be at the high end of the value chain. 2. Embrace the culture and market. 3. Understand the business culture and don't be aggressive.

4. Focus on their challenges and help them find solutions
 5. India is a new superpower. They are very capable, bright and confident in business. Their challenges are unique. They want an 'Indian' solution.
 6. Choose your partner with care.
 7. Respect and trust are mandatory
 8. Government bureaucracy is painfully slow. Be patient.
 9. Make sure you have your management commitment and adequate resources to manage a long-term sustainable business relationship in India
 10. Ensure you protect your intellectual property.
- Daon is a classic example of what Irish companies can be. A young, vibrant company, with a global presence and a reputation for highly specialised services in the high-end of the value chain. Daon's front office at the IFSC has a very interesting display, a cricket bat inscribed with the words 'Honesty of purpose and integrity of your people' - which was what UID project's Deputy Director General BB Nanavati had to say what struck him about the company. That sums up in a nutshell just how important India is to Daon and just how important core values are for doing business in the so-called global village.

Success will come if business leaders adapt

As the global focus shifts from the west to the east, **Kanthi Ford**, director of KFVC, talks about why leadership development is key to achieving business success in India

Changing European markets and Asia's booming economy both provide huge business opportunities for companies. Encouraging business leaders to change their way of thinking and, most importantly, their way of working, is key to addressing the challenges faced by our new global economy. State organisations may help to create an environment where collaboration is encouraged but the drive to take hold of international opportunities effectively and embrace different business cultures has to come from business leaders. **Businesses need to have a vision, a strategy and the right people** One of the biggest challenges facing companies with an eye on international growth is in understanding precisely what needs to be achieved and by when. Working across national borders



Kanthi Ford (right), director of KFVC, at one of the firm's regular events

requires more than tenacity and an eye on the perceived opportunity; it needs leadership focus backed by everyone in the organisation pulling in the same direction. There has to be a clear sense of purpose and an understanding of the market options as well as an insight into different business cultures over the next 15 years. My first suggestion is that businesses take a global view of leadership as well as the organisational readiness to change as they embark on collaborative ventures. Also, people in charge of companies generally need to

be more open in the terms of who they are being when seeking to achieve their aspirations. Once this has been achieved, the next most vital element is to create workforce alignment to these aspirations by removing internal and external barriers. Companies need to understand how other businesses have succeeded in different countries. We at KFVC are well placed to provide our knowledge here. Our consultants bring the knowledge and experience that they have gained from running interna-

tional, multi-billion dollar companies in different regions. **Opportunities in India** India's growth story is becoming well known. Thirty years ago when I started looking at international markets, China and the Far East seemed to dominate the scene. Today, India's growth has accelerated and other regions in Asia are emerging. Irish businesses usually have innovation and flexibility at their core; the challenge now is how to scale up for the international stage. KFVC can help in initialising growth, encouraging collaboration and developing specific achievable opportunities while they transform the way to do business. *Kanthi Ford is a director of KFV Consulting. KFVC has offices in Dublin, London, Mumbai and Delhi, Chicago, and Toronto. Additionally KFVC has representation in further international locations* KFV Consulting has been working closely for the past 20 years with international clients in all sectors, facilitating substantial and sustained improvements in personal and business performance and subsequent growth

A CHANCE TO WIN A 6 DAY BUSINESS TRIP FOR TWO TO INDIA



India - a dream destination and a land of business opportunity in 2011. *The Sunday Business Post* has teamed up with Indian Tourism, Jet Airways, Taj Hotels and Resorts and the Irish India Business Association to give you the opportunity to win the business trip of a lifetime.

The competition winner will win a trip for two including return flights, transfers and luxury accommodation, worth over €5,000. The winner will travel first to the bustling business destination of Mumbai for two nights, staying in the Taj Lands End Mumbai and then enjoy four nights relaxation at Taj Exotica Goa.

To enter, just answer this question:
Who is India's Minister for Commerce and Trade?

Then send us your details along with 200 words on why your company would benefit from doing business with India.

Entries can be sent via email to opportunityindia@sbpost.ie or by post to *The Sunday Business Post*, 80 Harcourt St, Dublin 2.



Terms and conditions: • Winner will be chosen by the Editor • The Editor's decision is final • No correspondence will be entered into • No cash alternative is on offer to this prize • Restrictions on dates of travel will apply • Please indicate clearly as part of your entry if you do not wish to receive further information on offers or opportunities from the competition partners

Opportunity India

Incredible India



The Desert Festival of Jaisalmer and Tsomoriri (Lake Moriri) at Ladakh: two of the many attractions worth visiting in India



INCREDIBLE INDIA

A country of contrasts and delights

The world's largest democracy has something to lure any traveller, from astounding natural beauty to top-notch, affordable medical care

'So far as I am able to judge, nothing has been left undone, either by man or nature, to make India the most extraordinary country that the sun visits on his rounds. Nothing seems to have been forgotten, nothing overlooked'
— Mark Twain

Awe-inspiring India and astounding India are all worn epithets that attempt to describe the world's largest democracy and seventh-largest

country. It is hard not to turn for help towards the many greats that have commented on the country, and this list includes names from the world's top philosophers, writers and scientists, including Mark Twain, Hsien Tsang and Albert Einstein.

From the Himalayas in the north, to Kerala, God's own country, in the south, India is a cornucopia of natural beauty, diverse, colourful culture and architectural heritage. Now more than ever, tourists from around the world are flocking to India for an unique experi-

ence. Due to increasing affordability, domestic travel is also on the increase.

The Travel and Tourism competitiveness Report 2011 (by the world economic forum) ranks India 12th in the Asia Pacific Region and 68th overall in the list of the world's attractive destinations.

In terms of infrastructure, India has very good airports and the development of ground transport infrastructure is a key investment area. Investment in travel and tourism in India is expected to reach US\$34.7 billion in 2010 and

US\$109.3 billion by 2020, according to the India Brand Equity Foundation (IBEF).

People travel to India for many different reasons. From Medical tourism to rural tourism, there is a package to suit every kind of traveller.

Adventure tourism

Snow-clad peaks, rolling meadows, dense forests, vast rivers, long coastlines and gushing waterfalls offer the ideal settings for adventure sports such as white-water rafting, kayaking, diving, trekking, mountaineering, paragliding, hang gliding, sky diving, ballooning, safaris, bungee jumping and motor sports.

Popular destinations include the Andamans, Lakshadweep, the Corbett National Park, Ka-

ziranga game sanctuary and, of course, the Himalayas.

Eco-tourism

Eco-tourism in India is still only developing but efforts are being made to save the fragile eco-systems and preserve the culture and heritage of indigenous tribes. Some popular eco-tourism resorts include those in the jungles of Karnataka, the house boats of Kerala and options in the Himalayan belt. Camping is also increasingly gaining popularity with tailor-made holidays on offer.

Beach holidays

The beaches of Goa are a favourite tourist spot for westerners. But that is but a fraction of what India has to offer. Kovalam in Kerala is a popular sea resort, as is Mahabalipuram in Chennai, Digha in Kolkata or Puri on the east coast. The perfect getaway would be in the Islands of Andaman and Nicobar with its native tribes and Lakshadweep Islands in the far south.

Spiritual tourism

India has pilgrimage sites of virtually every religion, Hinduism being the largest. The temple town of Madurai in south India, Varanasi on the banks of the Ganges, Konark temples in Orissa and Badrinath and Kedarnath temples at Uttaranchal in the north are a few

examples. The ashrams and temples of India attract all kinds of travellers.

Heritage tourism

The Unesco World Heritage List includes several architectural marvels and natural sites in India. The Taj Mahal, The Sun temple at Konark, the monuments at Hampi, Kajoraho and Mahabalipuram, Delhi's Qutab Minar, the Elephanta Caves and the Churches and Cathedrals of Goa are but a few. Wildlife Sanctuaries, such as the Sundarbans and Kaziranga are also on the list.

Business tourism

With its world-class hotels and scenic locations, India is emerging as a very popular location for business tourists. The fact that the visit can also be used to explore business opportunities in India is an added incentive. The cities of Delhi, Mumbai, Bengaluru, Chennai and Kolkata with their modern infrastructure and state-of-the-art convention centres are ideal locations, though there are many more.

Medical tourism

This is the fastest-growing sector of Indian tourism. India specialises in providing quality medical care at affordable prices and a growing number of patients are travelling to In-

dia for non-emergency procedures. The popularity of the sector is evident from figures from the Confederation of Indian Industry, which indicates the value of business can touch \$2.3 billion by 2012. The cost of medical services in India is 30 per cent lower than western economies and is the cheapest in south-east Asia.

The easy availability of experienced English-speaking doctors is a major influence in people's choices. Indian hospitals excel in cardiology and cardiothoracic surgery, joint replacements, transplants, cosmetic treatments, dental care, Orthopaedic surgery, fertility treatment and alternate therapy such as ayurveda and homeopathy.

More spice than curry

For those that love Indian food or love to taste original cuisine, it is well worth making a trip to India on a journey of culinary discovery. Indian food is very diverse and still very much rooted in tradition, especially food in rural India.

However, Indian cuisine today also has adopted from other styles, be it Italian or Chinese – fusion cuisine is becoming increasingly popular. Each of the 28 states has its own cooking traditions, and several hundred traditions exist within these main styles. It was the spice trade that led to the discovery of India by the Europeans. Indian street food is another experience for the ad-

venturer to try and has made its way into the pages of some of the most up-market publications on food.

The face of India

Any experience of India would be incomplete without a sample of the Indian film industry, which makes more than 2,000 films each year. Though dominated by and better known as Bollywood, which makes Hindi films, the Indian film industry is much larger and encompasses films made in over a dozen languages.

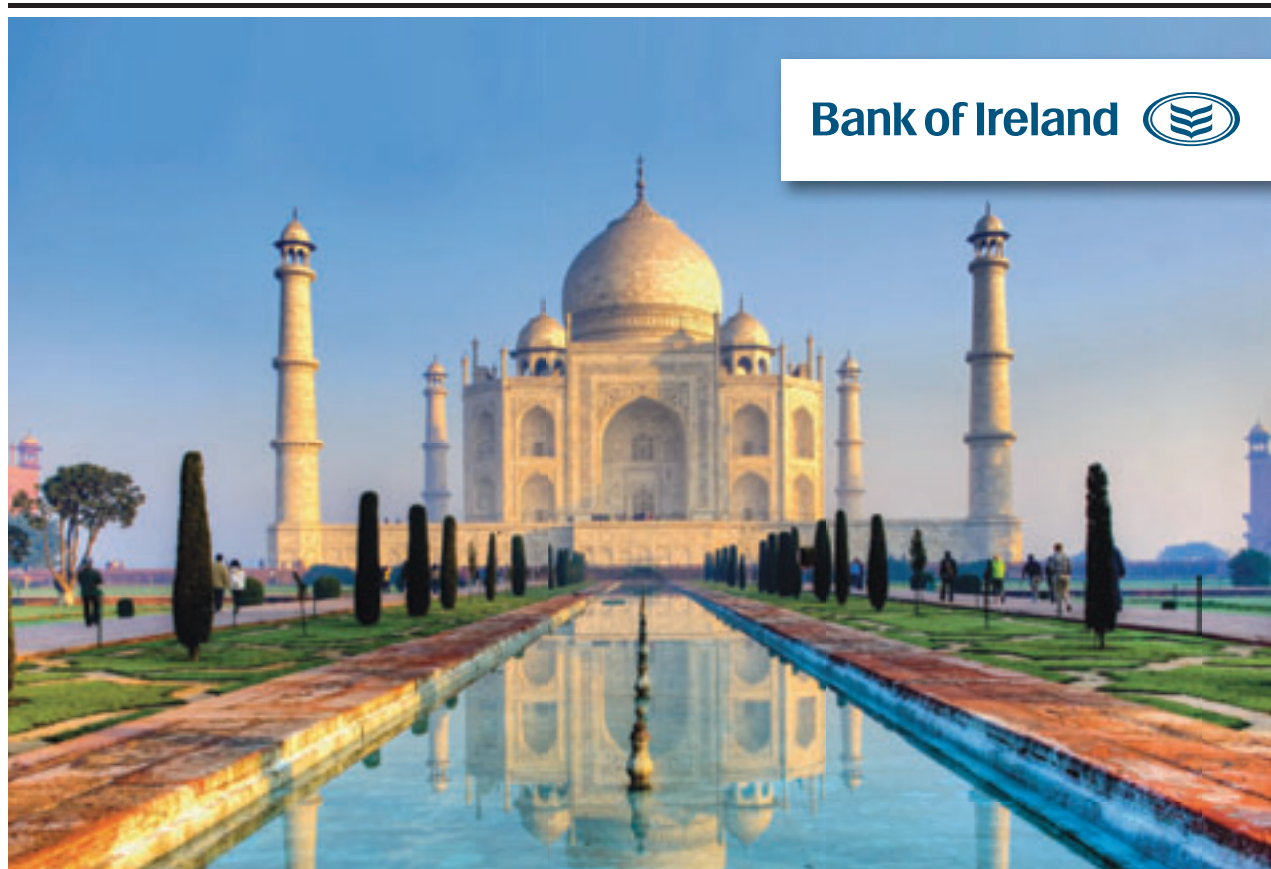
In the next five years, the Indian film industry is expected to grow at a compound annual growth rate of 9 per cent. The industry itself is nearly a hundred years old and has a very colourful history, and has played a key role in India's struggle for freedom.

Regulations allow 100 per cent FDI in this industry and the scope of its influence on public opinion is spectacular.

Whatever the motivation to go to India, it can be said with fair certainty that chances are the journey will be a life-changing experience.

Useful contacts

- Visa enquiries for Ireland: www.indianembassy.ie
- Travel information: www.incredibleindia.org
- Medical tourism information: <http://www.incredibleindia.org/microsite/medical/treatmentcenters.htm>



Safe Passage....

For Irish companies wishing to export to India, or Indian companies looking to set up a base in Ireland, Bank of Ireland has it covered.

We offer a comprehensive range of products and services tailored to the unique and complex requirements of inward investment or overseas trade.

Whether it's straightforward requirements like operating accounts or clearing facilities, or more sophisticated needs, such as Correspondent Banking introductions, you'll find that Bank of Ireland has the product range, contacts and, more importantly, the experience to ease you into the local market with professionalism.

Talk to us to find out more

Derek Collins
Director, Inward Investment
Bank of Ireland Corporate Banking

Tel +353 (0)1 604 4130
Email derek.collins@boi.com

Pdraic Brennan
Head of Business Development - Dublin
Bank of Ireland Business Banking

Tel +353 (0)76 623 1298
Email pdraic.brennan@boi.com

www.boi.ie/capitalmarkets

Bank of Ireland is incorporated in Ireland with limited liability. Registered Office - 40 Mespil Road, Dublin 4, Ireland. Registered Number - C-1. Bank of Ireland is regulated by the Central Bank of Ireland.

Unwrapping the riddle and enigma of business in India

By Priya Rajsekar

An oft-repeated analogy used to explain India is the anecdote of the six blind men and the elephant. Because each can only feel a small part of the whole, their understanding is incomplete. India is like that – too big, too diverse, too changeable and too contradictory to be understood through the experience of others.

Over the past decades, global media has done a thorough job of publicising clichéd stereotypes of India, so much so that often the falsehood becomes belief.

The best way to experience India would be with an open mind – so best forget the curry, the god-men with matted hair, the elephants walking the streets, the snake charmers and the slums – and be prepared to be surprised. These pre-conceived notions can often colour judgment and are best left behind.

An open mind, a willingness to unlearn stereotypes and an optimistic approach can change the outcome of a negotiation with a prospective Indian client or partner.

However, there are some social and cultural differences, the appreciation of which can prepare an uninitiated foreign-

er to transact more efficiently with Indian businesses.

Indian English

Out of a population of 1.2 billion, it is estimated that about 350 million Indians are familiar with English. This includes most of the business world which makes things simpler for foreign businesspeople. Having said that, however, the usage, the accent, the vocabulary and the style of Indian English makes it almost a new language.

The upwardly mobile younger generation is just as comfortable with Indian-English which is English peppered with Indian languages (mostly Hindi) as with American or British English. This MTV generation has helped hundreds of companies benefit from call centres where Rob from Dublin is actually Ram from Dehradun. It is also important to understand that the difficulty in understanding accents is mutual and a deliberate attempt to speak slowly will go a long way. And no, Indians do not speak 'Indian' – 18 official languages are spoken in India, each with several dialects.

Class and status

In a country where even ba-

sic amenities are hard won, it's no surprise that people expect to be respected for achievements or status.

This, coupled with the fact that most businesses in the private sector are family-owned, means there is an expectation that hierarchy will be respected in action and communication. The use of 'sir' is still quite common, as is utmost deference to the wishes of the boss or superior.

The concept of time

With increasing exposure to global culture, punctuality is slowly creeping into Indian culture.

However, it is considered okay to be a little late (this could extend for up to 45 minutes in cases) and sometimes being late could signal the importance of the latecomer, or often high-ranking officials, or celebrities. This does not indicate disrespect or disinterest.

Relationship building

Trust is at the very foundation of Indian businesses and it often takes more than a flying visit to the country to set the ball rolling on a new deal, even a very lucrative one. Building

trust takes a good few personal visits and a committed effort towards relationship building before any dotted line can be signed. Even with big businesses, the level of comfort and trust with individuals that are negotiating on behalf of the company is more important than the business itself.

When 'yes' means 'no'

Due to deference to superiors, or fear of incurring displeasure for example, Indians often say 'yes' when they actually mean 'maybe' or 'no'. Working around this takes some experience and there are no shortcuts or one-size-fits-all solution.

Certain pockets of India are westernised and have all the usual trappings of western culture. A few business campuses, especially in the IT sector may replicate their counterparts in the US or Britain. But most of India is unique and diverse and quite hard to understand.

So it is better therefore to focus on the opportunities than on the problems and to go with an open mind and a willingness to build a long-term relationship for mutual benefit. Staying away or approaching with prejudice may prove costly, for as they say, nothing ventured nothing gained.