

CHANCES AND CHALLENGES IN DOING BUSINESS WITH INDIA

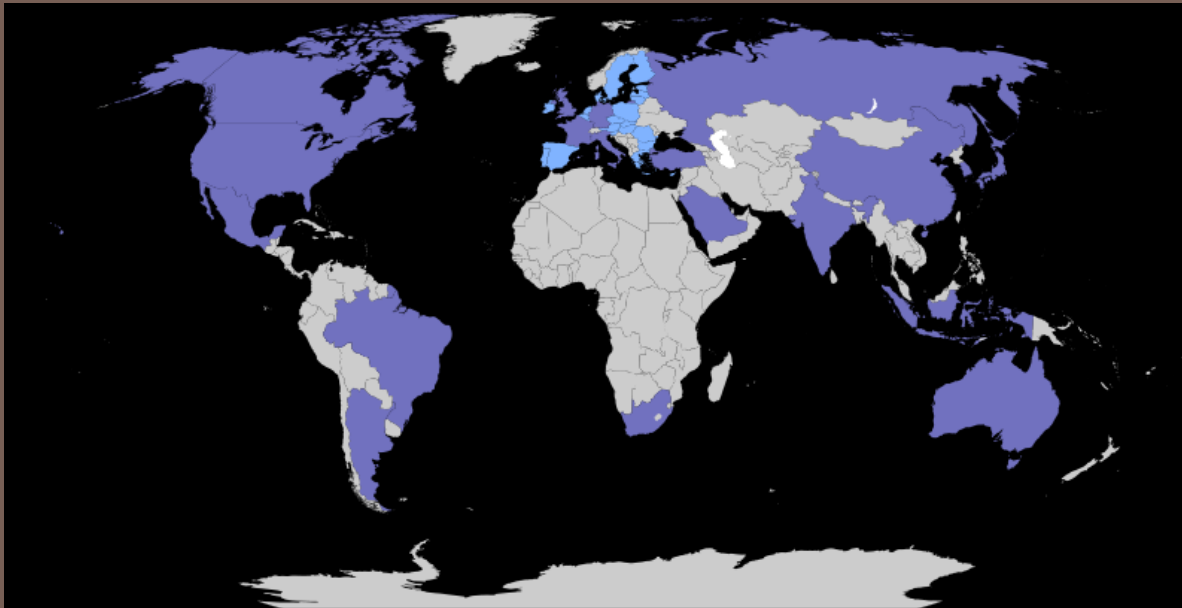
Workshop International Business Asia at
5th Project Day, Duesseldorf, Germany



The World in 2050

PWC Prognosis: Emerging Economies far ahead –
India 3rd largest Economy in 2050

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Source: PWC – The World in 2050 / The Global Economy in 2017
http://www.pwc.com/en_GX/gx/world-2050/pdf/world-in-2050-jan-2011.pdf

India – the underrated major power



India at a glance

- Population (2011) in Millions	1,210.19
- Population per Sq. Km	382
- Popular Growth	1, 3 %
- Literacy Rate (Census 2011)	74.04 %
- Number of States	28
- Gross Domestic Product (GDP) 2010/11	\$ 1, 597.5 billion
- Gross National Income (GNI) 2010/11	\$ 1, 584.2 billion
- GDP Growth (2010/ 2011 -12)	8 %/7,8 %
- FDI Inflow (2009/ 2010)	\$ 25.9 billion
- Expected Investment Rate (2010 -2011)	37 %

India at a glance

- Young population with a median age of 25 years
- A steady GDP growth rate of 6 - 8% over the last decade
- India is the 4th largest economy globally (PPT terms)
- According to UNCTAD 's 'World Investment Prospects Survey 2009 - 2011', India is the 2nd. most attractive destination for FDI in the world
- India targets to achieve annual FDI worth US \$ 50 billion by 2012 and plans to double the inflows by 2017

Source: ITP Division, Ministry of External Affairs, Government of India

India at a glance

- Second fastest growing major economy in the world
- During the economic crisis the economy growth rates slowed down to 7%
- Industrial and service sectors have been contributing a major part of this growth



Source: India Brand Equity Forum, NASSCOM; FICCI

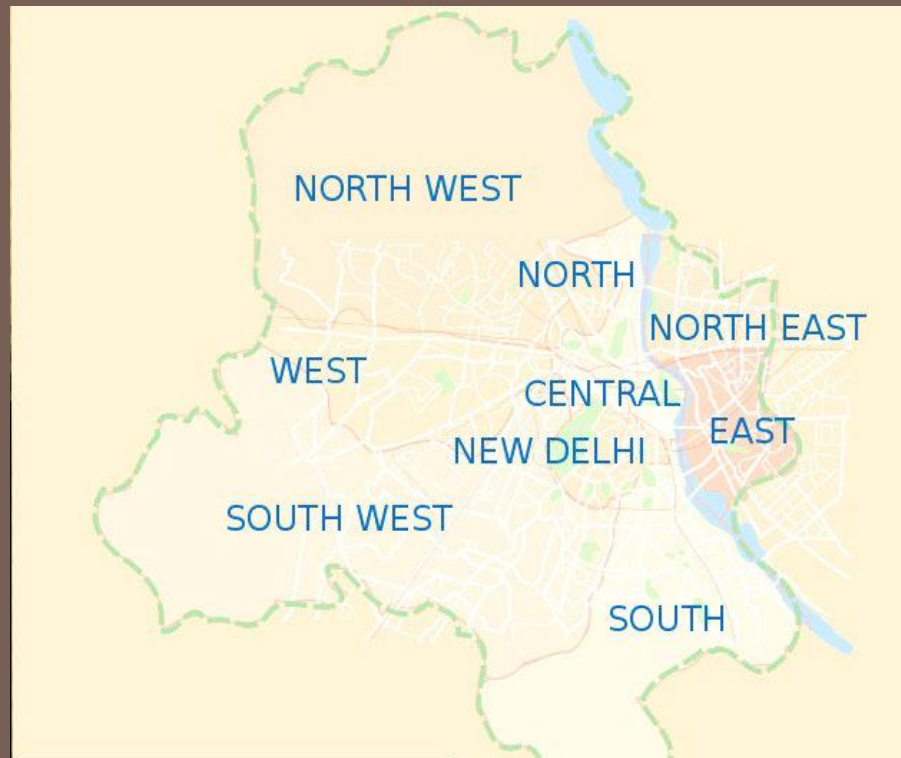
Major Industrial Regions

India's West – Mumbai, Pune and Ahmedabad



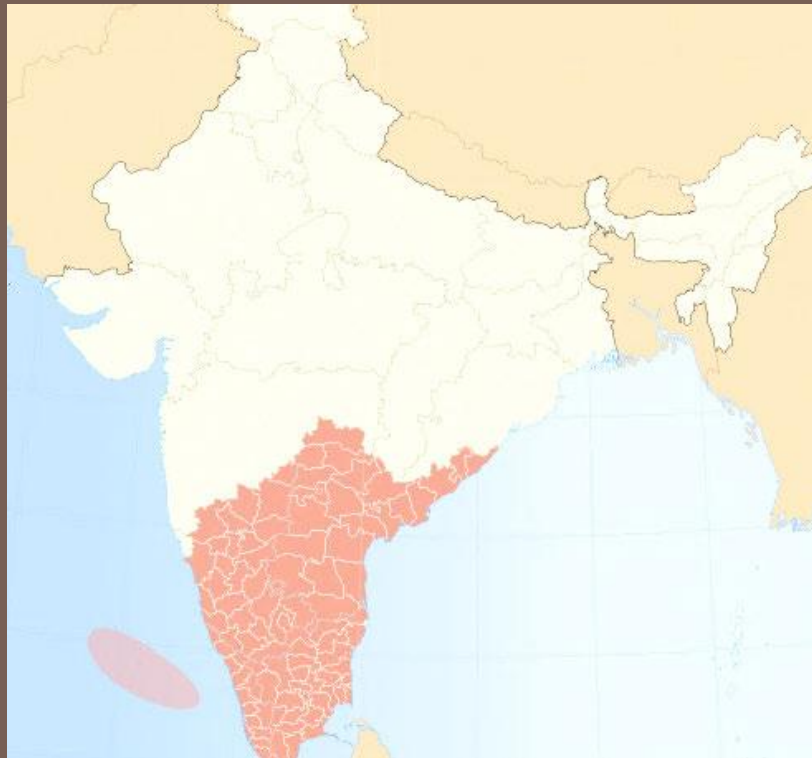
Major Industrial Regions

The North: Delhi and NCR



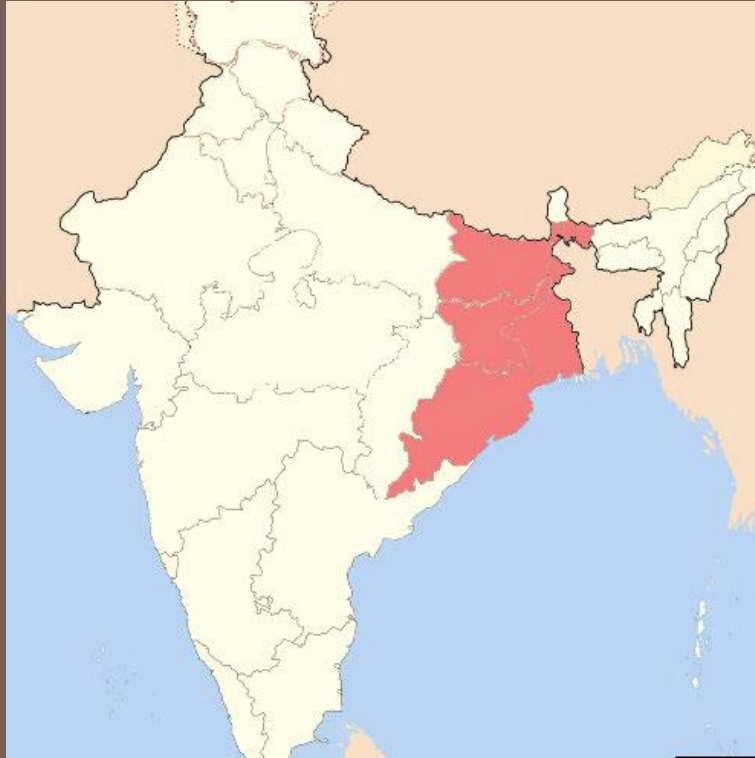
Major Industrial Regions

The South – Bangalore, Hyderabad, Chennai



Major Industrial Regions

India's East: Kolkata



SWOT India 2011 (GTAI)

Strenghts:

- Huge market
- Strong economic growth
- legal system
- huge talent pool
- (university graduates)
- English as language in business

Opportunities:

- growing middle-class
- need for modernisation in the industry and much investment in the private sector
- low wage level
- growing involvement of india in the Global Economy

Weaknesses:

- low- per capita income
- Inadequate Infrastructure
- shortage of trained personnel
- low productivity

Threats:

- the government ´s strong influence In business
- strong position of trade unions
- high attrition rates

Global competitive Indian companies



RELIANCE



BHARAT FORGE



TATA



TATA
CONSULTANCY SERVICES



WIPRO
Applying Thought



bharti



Infosys®

Some Indian Car brands

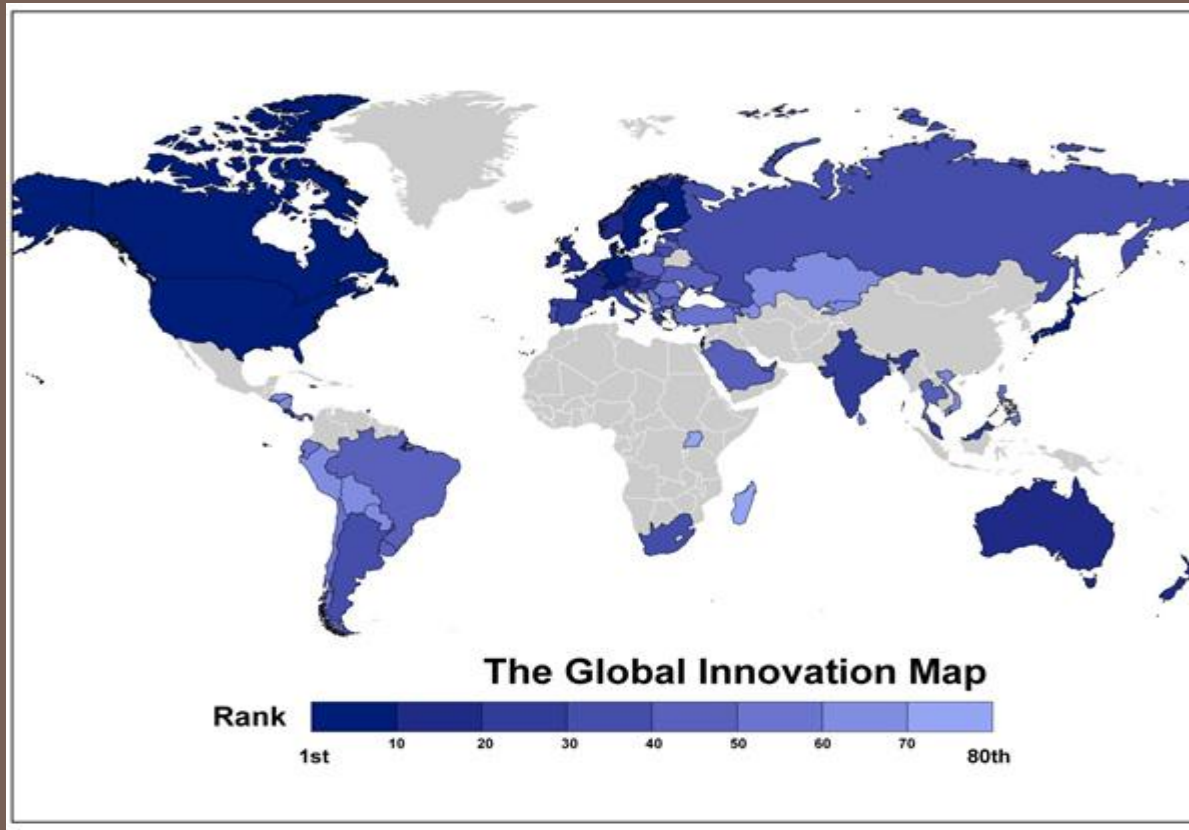
Maruti



Tata Nano



Global Innovation Map



<http://www.theatlanticcities.com/technology/2011/10/worlds-leading-nations-innovation-and-technology/224/>

Innovation in India

Innovation hubs in India: Mumbai, Bangalore, Delhi, Pune

Bangalore: One of *the* innovation hubs in asia for aviation, IT, etc.

(<http://knowledgetoday.wharton.upenn.edu/2011/09/can-bangalore-become-the-innovation-hub-of-asia>)

Pune: Pune has potential to become huge innovation hub

(<http://www.cio.in/news/pune-holds-potential-become-asias-innovation-hub-study-205662011>)

National Innovation Foundation

(<http://www.nif.org.in>)

Indian Institute of Management, Ahmedabad: Grassroots Innovation

(<http://www.iimahd.ernet.in/~anilg>)

Chances for Indo-European Cooperation

- India has been contributing to many success stories of major European players like Airbus, VW, BMW, Daimler Benz, SAP and innovative European SMEs
- Most Indian MNCs like Tata Motors, Bharat Forge, TCS, Mahindra Satyam, etc. have a rapidly growing European presence with focus on Germany
- Immense scope for cooperation between European and Indian SMEs exists in various sectors like Manufacturing, IT and Renewable Energy

Success factors in communication

India:

- relationship - orientation
- politeness
- harmony
- collectivism
- indirect, subtle communication
- no open criticism
- paying attention to hierarchies



Namaskar!

Thank you for your attention!



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www.outsourcing-verband.org