

# Going Global

## Indian Business Leaders Seek Partnerships

By Tom Schuman

**R**ajan Pillai describes himself as an “ardent fan of America.” Borrowing from the popular work of Thomas Friedman, he adds, “Columbus, 500 years ago, proved the world is round. We’re here to prove the world is flat economically.”

Pillai, president of IndUS Integrated Resources, was one of 15 businessmen from India to visit Indiana earlier this year. His New York-based business incubator, with operations in both New York and Texas, includes focuses on nanotechnology and alternative energy sources – both strong potential fits for collaboration with Indiana.

Ramesh Dalal, past president of the Indo-American Chamber of Commerce and chairman of R.L. Dalal & Company, has worked with American companies for more than 40 years. He contends that “globalization is taking place rapidly, much more rapidly than you and I think.”

Pillai and Dalal addressed attendees at an Indiana Economic Development Corporation seminar during their visit and also spoke with *BizVoice*® following their presentation. Both believe the stage is set for additional business opportunities between the two countries.

### Language speaks

“The strong point for India is that out of 1.2 billion people, nearly 280 million are English speaking,” Dalal relates. “It is the largest English speaking country in the world. (An estimated 220 million Americans speak English).”

In addition, the 81-year-old Dalal says a U.S. Chamber of Commerce official first pointed out to him that his home city of Bombay is located in the middle of a straight line from London, England to Sydney, Australia. The Stanford University graduate calls it an ideal location to serve at least four continents.

The city of more than 16 million people (larger than Indiana and Michigan combined) is addressing its infrastructure needs – bypassing the urban area for direct connections between airports and shipping terminals.

“The city doesn’t need the container traffic. The products are not headed to India, but come to our ports,” Dalal explains, adding that people are also arriving in India to continue their education. Natives of Singapore, Malaysia, Sri Lanka and other countries are seeking educational opportunities in Bombay and throughout the country.



### Infrastructure Investments

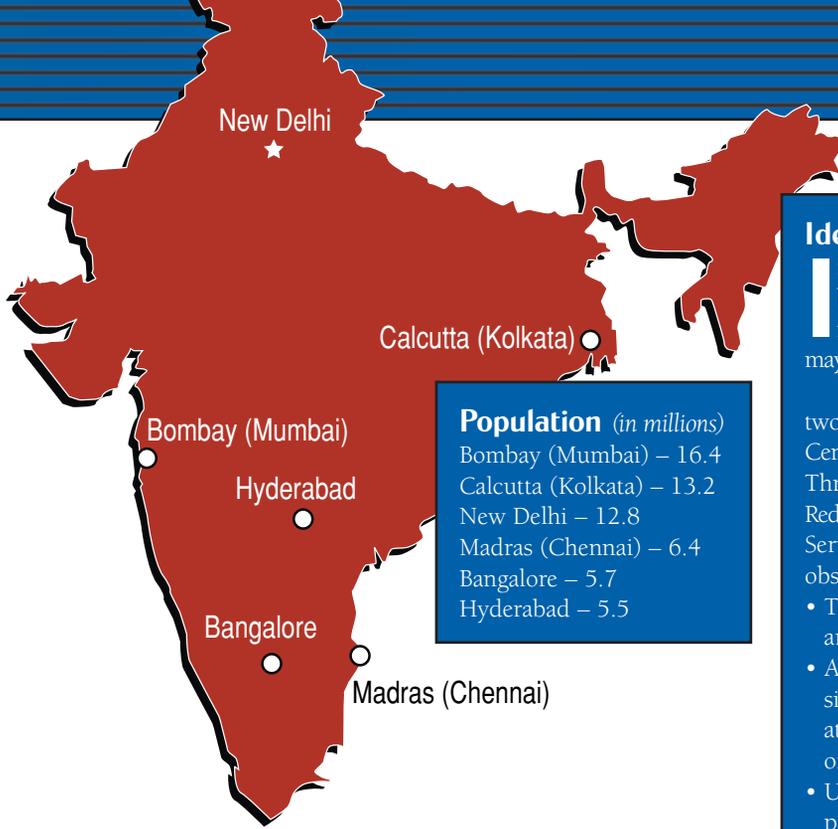
Sectors	Proposed Expenditures (\$ billion)	Proposed Plan
Roads	47	\$33.7 billion to upgrade current network of national highways; \$13 billion to upgrade state roads and add 13,000 kilometers of roads.
Railways	5	Remove linkages, modernize signaling, improve safety
Airports	5	New airports at Bangalore and Hyderabad. Expansion of existing air terminals at New Delhi, Mumbai, Jaipur, Chennai and Calcutta
Ports	23	Develop and modernize port capacity
<b>TOTAL</b>	<b>80</b>	

Source: Indo-American Chamber of Commerce

### Trend in India’s Real Gross Domestic Product Growth

	FY04	FY05	FY06*
Agriculture	10.0	0.7	2.2
Industry	7.6	8.6	9.0
Services	8.2	9.9	9.8
GDP	8.5	7.5	8.1

\* Estimated



## Identifying Indian Culture, Customs

If you're doing business with a colleague in India, don't be surprised if he or she doesn't return your voice mail in a timely manner. In contrast to many Americans, Indians may only check their voice mail messages once every few days.

That was among the cultural differences between the two countries discussed earlier this year at the International Center of Indianapolis' Working With the World conference. Three natives of India now working in Indianapolis – Sam Reddy, Dow AgroSciences; Shantanu Tripathy, TATA Consultancy Services; and Raj Gulati, Eli Lilly and Company – shared observations that included:

- The difficulty in talking about one Indian culture as there are 14 official languages and more than 120 dialects
- As the economy opened up in the early 1990s, that also signaled a transformation for women. There may be few at the higher levels of business today, but the prominence of females is growing
- Upon initial introduction, folding palms and bowing is a proper response. A gentle touching is more common than shaking hands. Never shake hands with a woman unless she offers her hand
- Casual dress is OK for men. Women typically wear skirts or Indian dresses for social occasions
- Business cards are very important for business and social gatherings
- Among phrases that might be difficult for your Indian counterparts to interpret – hit the ground running, learn by the seat of your pants and shooting from the hip
- Talking slowly is appropriate as it often takes some time for both parties to become familiar with each other's accent
- E-mail should only be used to summarize what is already agreed upon – as a follow-up to earlier discussions
- Indians are very curious – they want to know all about the people they are doing business with
- While "ethics are at the top of mind for most," giving a little money to make things happen is a "norm to do business." The comparison, one of the panelists made, is to political contributions in the United States

## Seeing the light

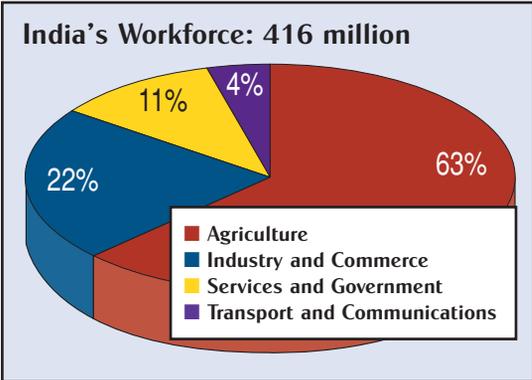
Pillai's existing company in New York hopes to have a product in place by the end of the year in the area of LED (light-emitting diodes) technology. He describes the lights as much brighter than fluorescent lamps and looks to work with the Department of Energy on approval for use in traffic lights. In 10 years, he sees the LEDs replacing filament lamps.

The possibilities for additional collaboration are plentiful, he contends.

"There is a huge opportunity in the world of alternative fuel. The world is energy short and will continue to be so," he offers. "It's a natural. Energy technology could be a huge driver of the Indiana economy. If gas is expensive to some in Indiana, the kick in the butt is 10 times that to the average person in India. The world is there for people who can meet the challenge and change."

Pillai tells of his colleague Dalal's long-term business success, building a company with 1,500 engineers before selling it in the 1970s. Today, he has nearly 1,000 engineers working in areas that





include infrastructure and construction.

“There is zeal and drive in India. A whole generation of younger folks has been inspired by what they see in America,” he states. “It’s not just the drive, but the change in government policies. The minute the protectionist walls came down, then business boomed.”

### Making a difference

In a message heard today from a number of sources, Pillai says it’s the small companies worldwide that are driving innovation. The power of individuals and young, growing companies working together is immense. In a similar sense, his personal preference is to work closely with angel investors (rather than venture capital firms) to advance his business investments.

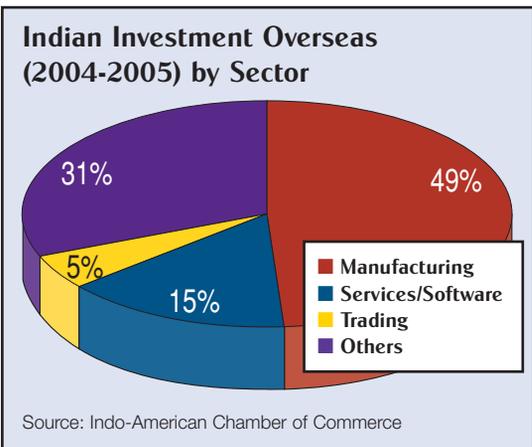
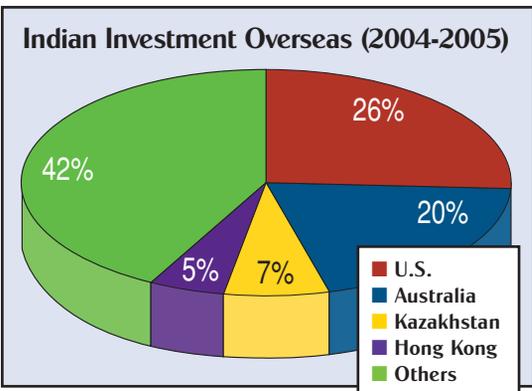
Whether the topic is India or China, concern about American jobs comes into play. While the public and politicians express worry, Pillai notes that “no mainstream economist has said the outsourcing of information technology jobs is bad for the American economy.

“America is the largest exporter of services in the world,” he continues. “If outsourcing is hurting America, surely its surplus in exporting services would not increase. Where there is free trade, open trade, both parties benefit.”

Dalal says there is no room for one-sided business relationships. “Unless we both have an advantage, we will not work together – or it will be very difficult to do so.”

One area of change that would put the United States on the same course as the rest of the world, according to Dalal, would be adoption of the metric system. He and some of his business associates find it amazing that the U.S. has not moved from the traditional measurement system (a brief attempt at change in the 1970s was aborted).

“It’s not as painful as you think (to make the change),” he suggests.



#### INFORMATION LINK

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