

# DOING BUSINESS IN INDIA

PRADEEP ANAND

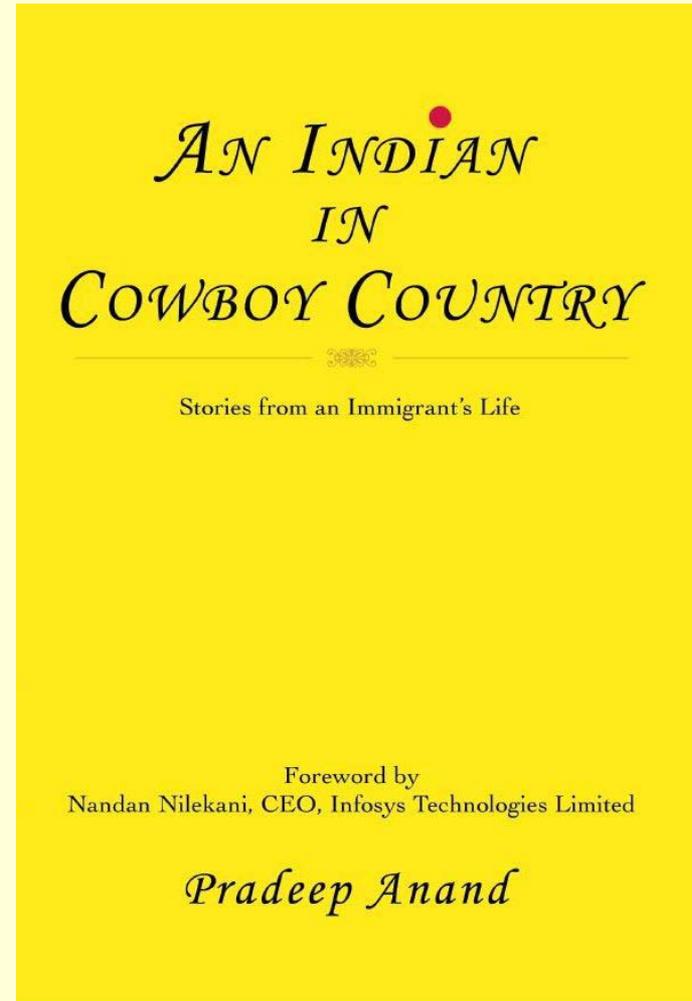
Seeta Resources

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# About Pradeep Anand

- Challenge
  - Goals not met: revenue growth, quality of revenue
  - Need: rediscover markets, redesign business
  - Executives/employees are too close to the situation
  - Outside resources are not close enough
- Solution
  - Use Seeta Resources' proven processes
  - Turn employees into strategists and tacticians
- Results
  - Revenue growth, enriched margins
  - Quick results, long-term effectiveness



# Clients

## •Oil & Gas

Baker Hughes, Baroid Corporation, Daniel Industries, Dresser Industries, Dresser Oil Tools, Integrated Exploration Systems (IES-Germany), Landmark Graphics, NL Industries, NSI Upstream, Numar, OFS Portal, Photon, PGS- Tigress, Praxis, Sperry-Sun, Object Reservoir (US Venture Partners), Volumetrix

## •Technology

AMD, Sun Microsystems, Avalon Imaging, Scicom, Silicus, Laversab, Facet, ZResearch

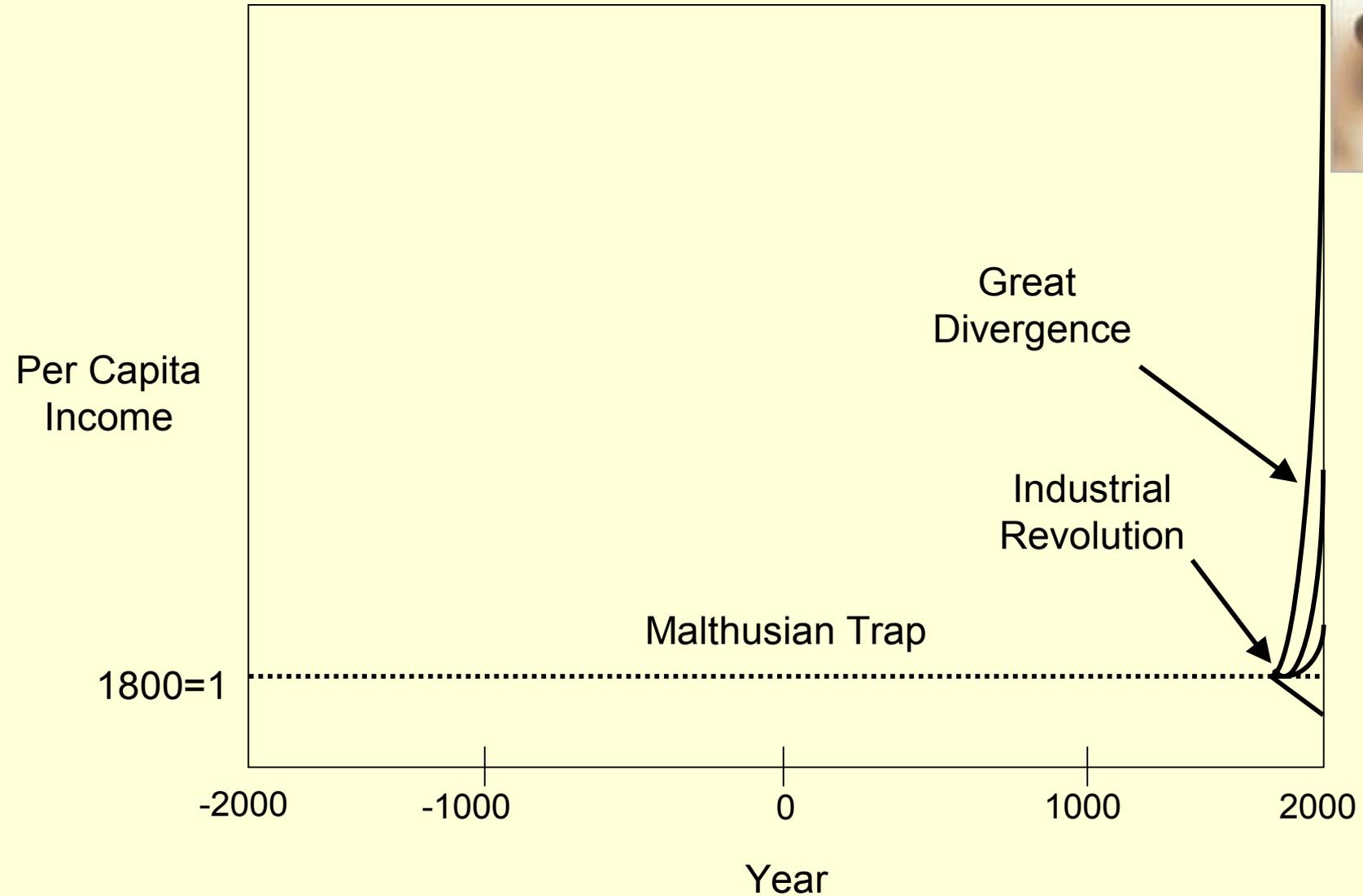
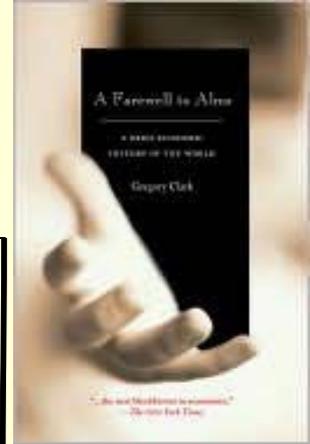
## •Engineering & Manufacturing

AirXChangers, Astralloy, CompX, Excell Minerals, Fabsco, Fort Lock, Gundle/SLT Environmental, Harsco Corporation, Harsco Track Technologies, Hendrickson Trailer, IKG Industries, Multiserv, National Cabinet Lock, Nutter Engineering, Patterson-Kelley, Reed Minerals, Waterloo Furniture Components

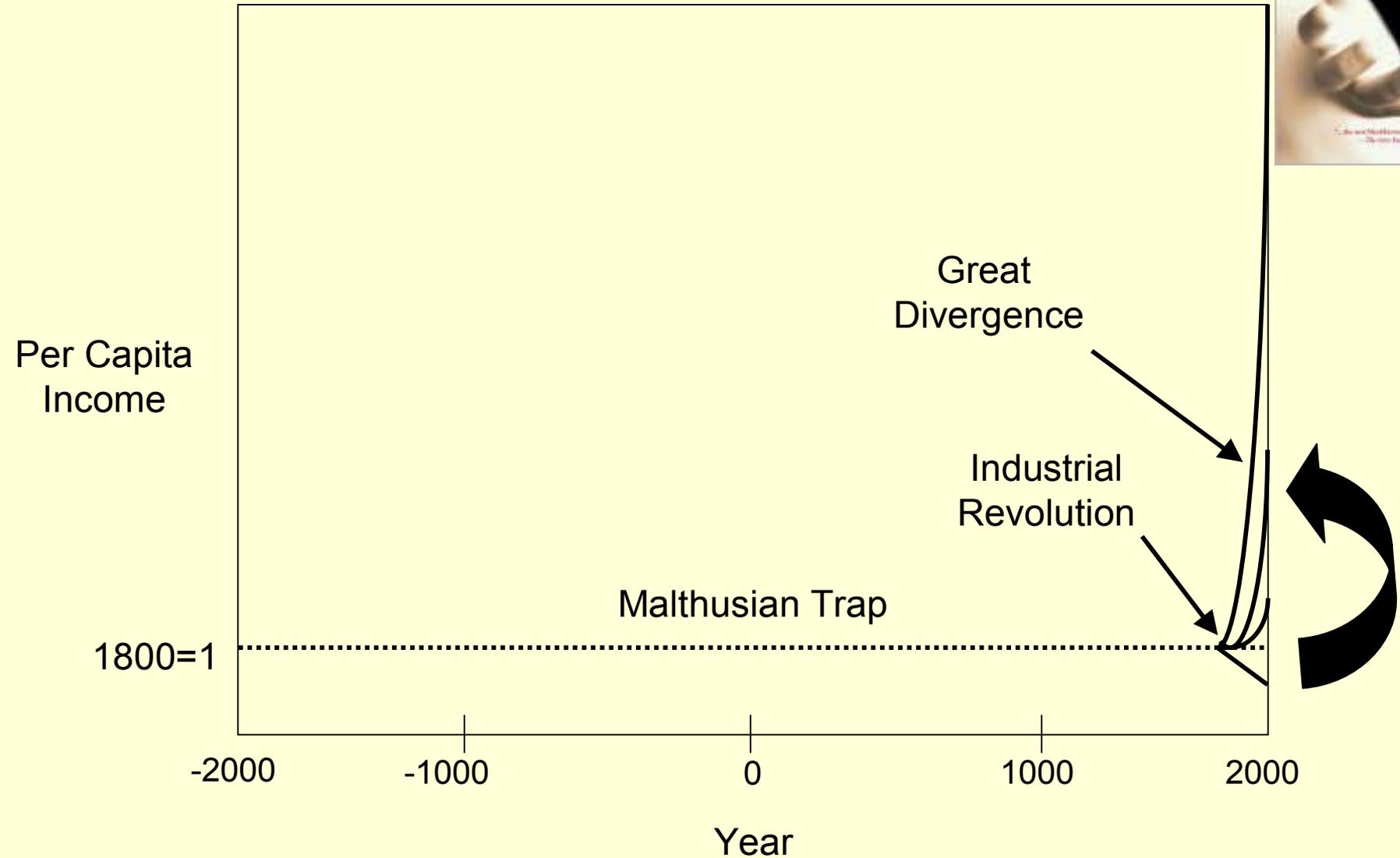
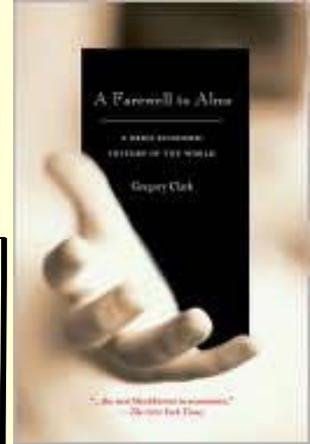
## •Service

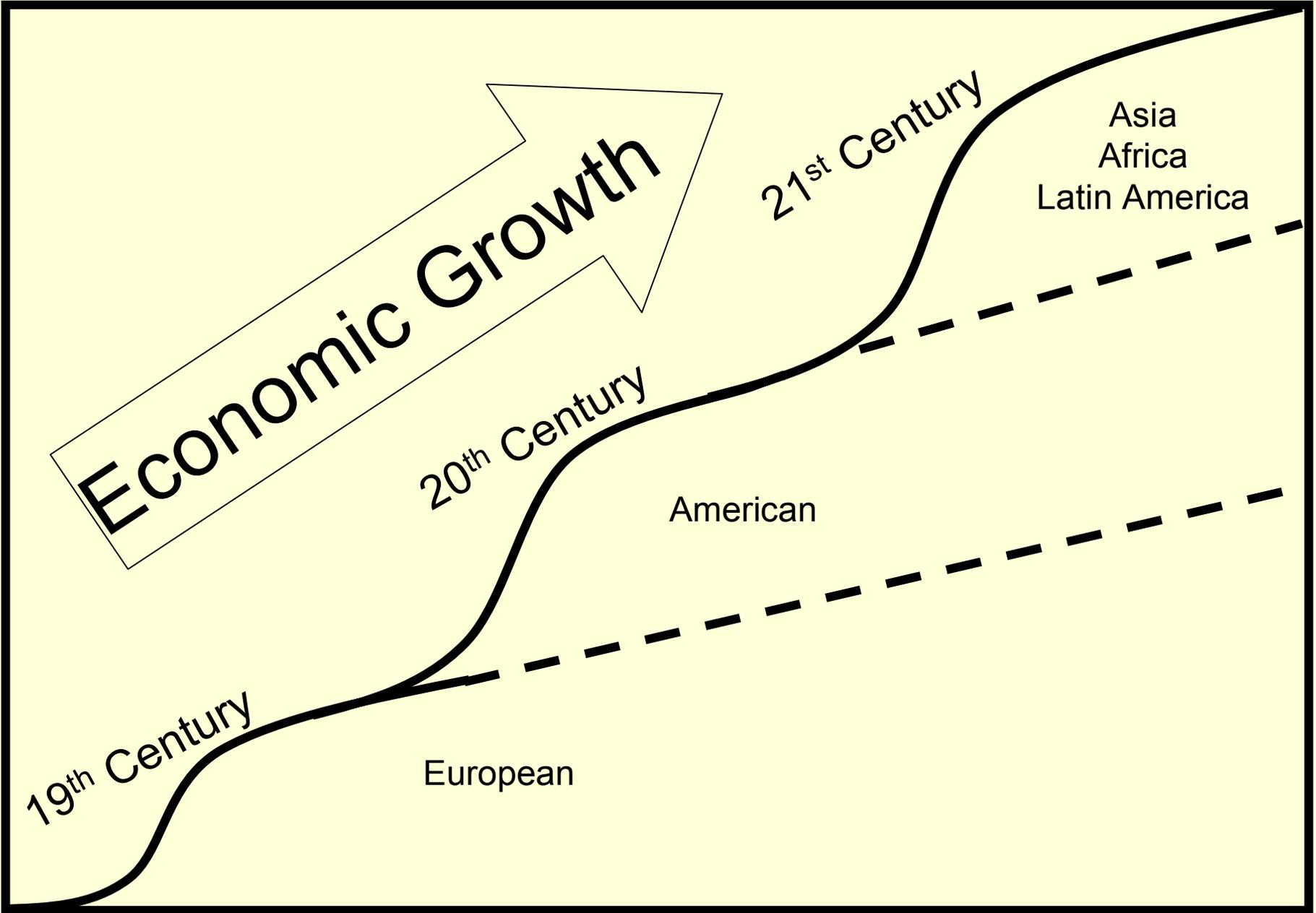
OnePoint, American Sleep, Preng & Associates

# Global Economy

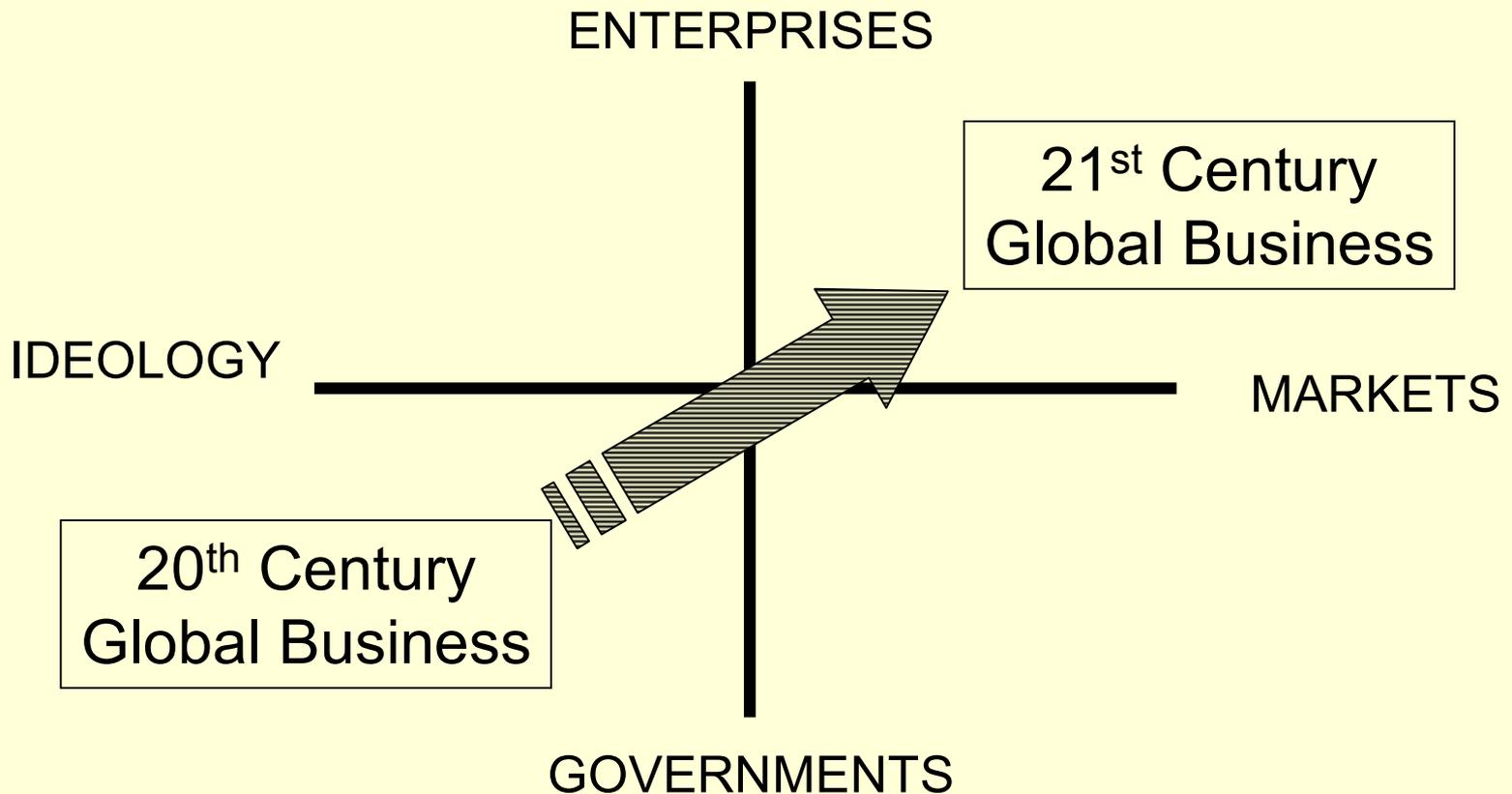


# Global Economy

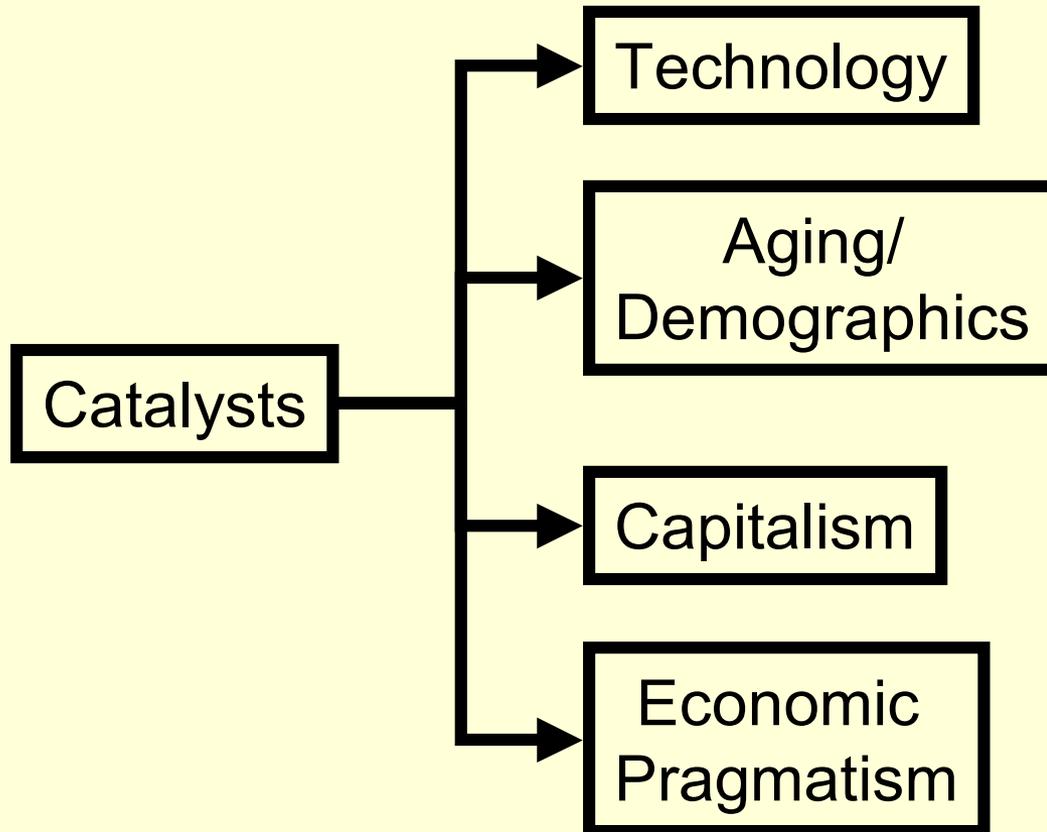




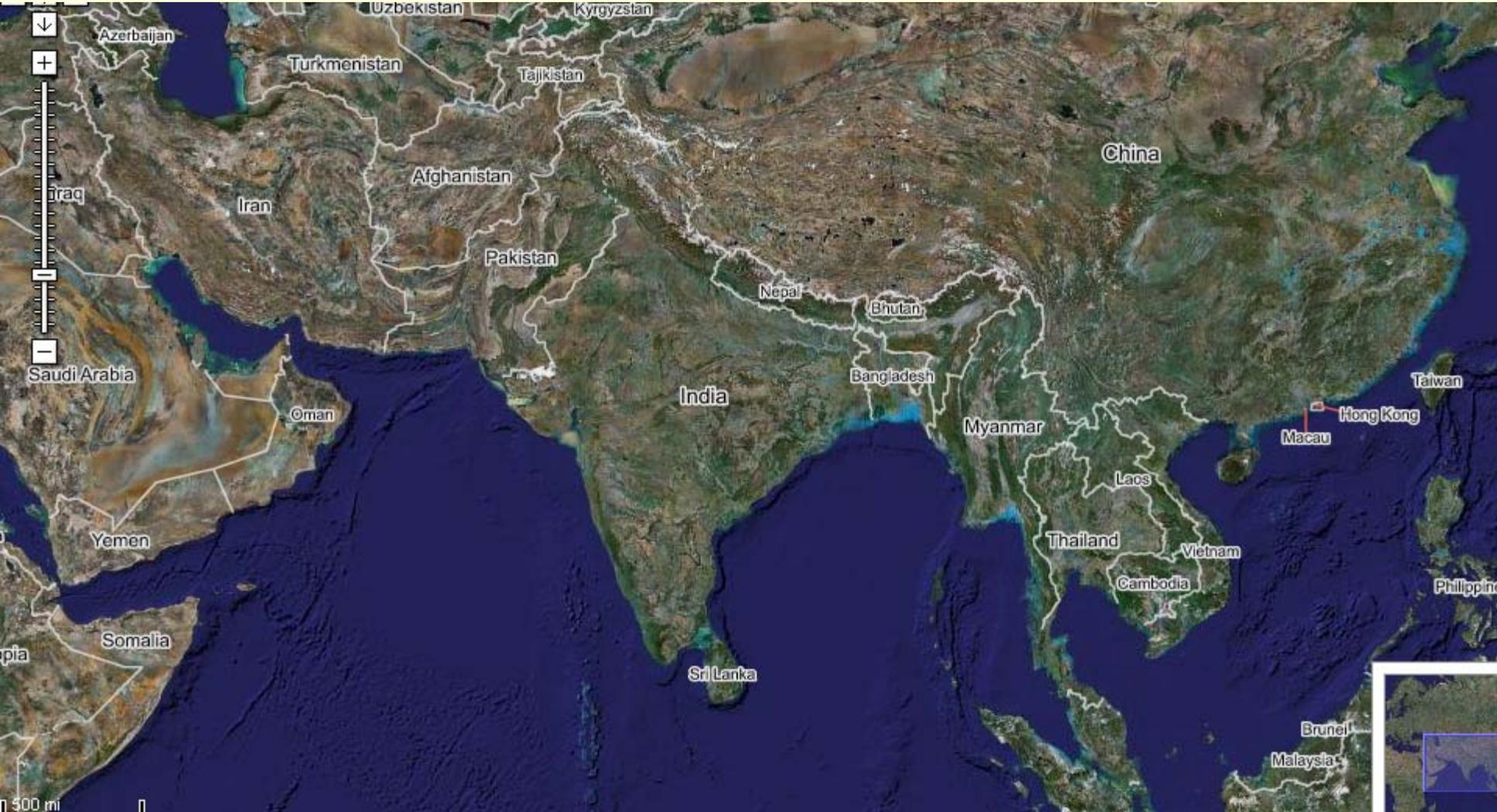
# Catalysts for Accelerating Growth



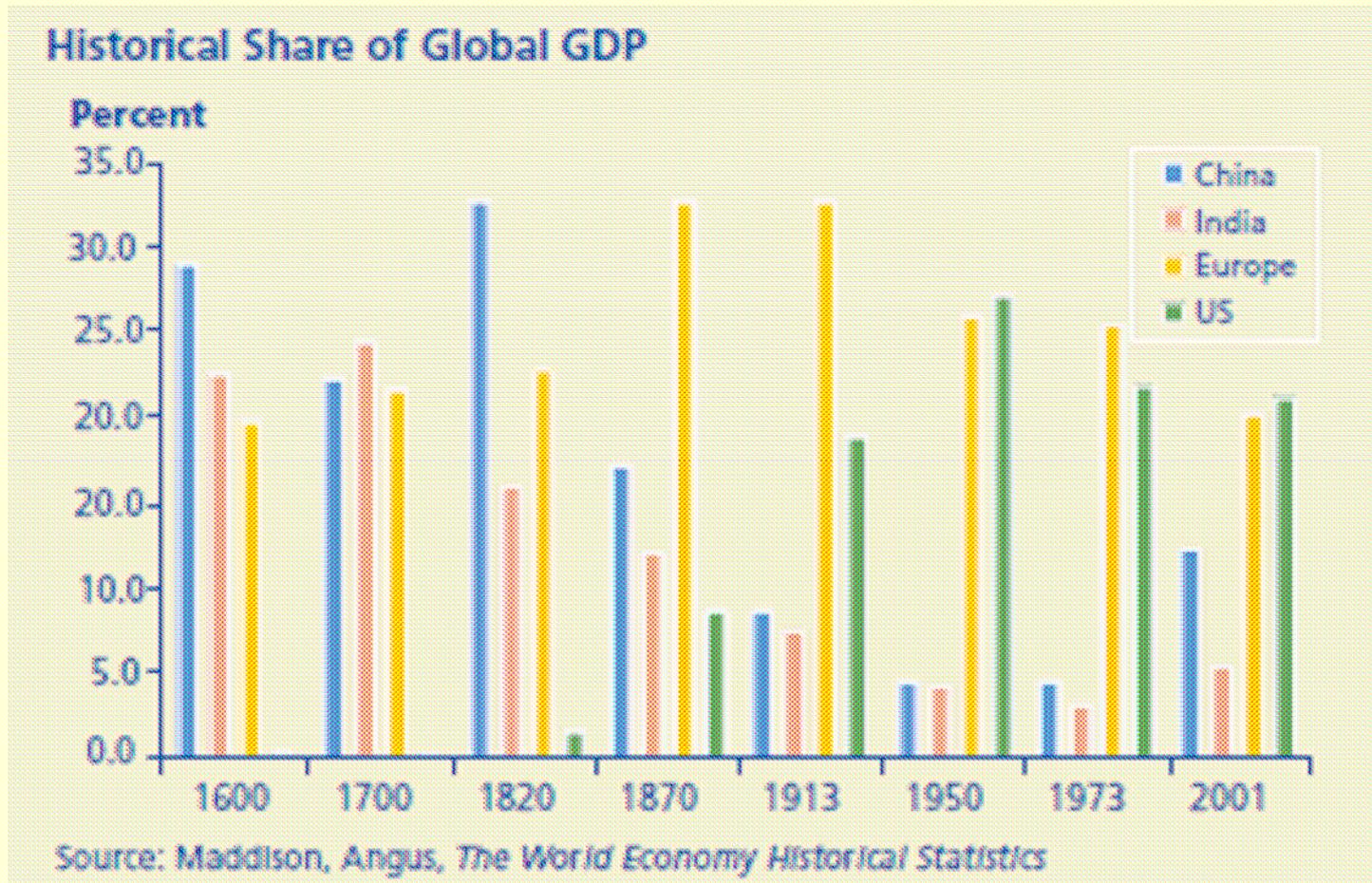
# Catalysts for Accelerating Globalization



# Asia

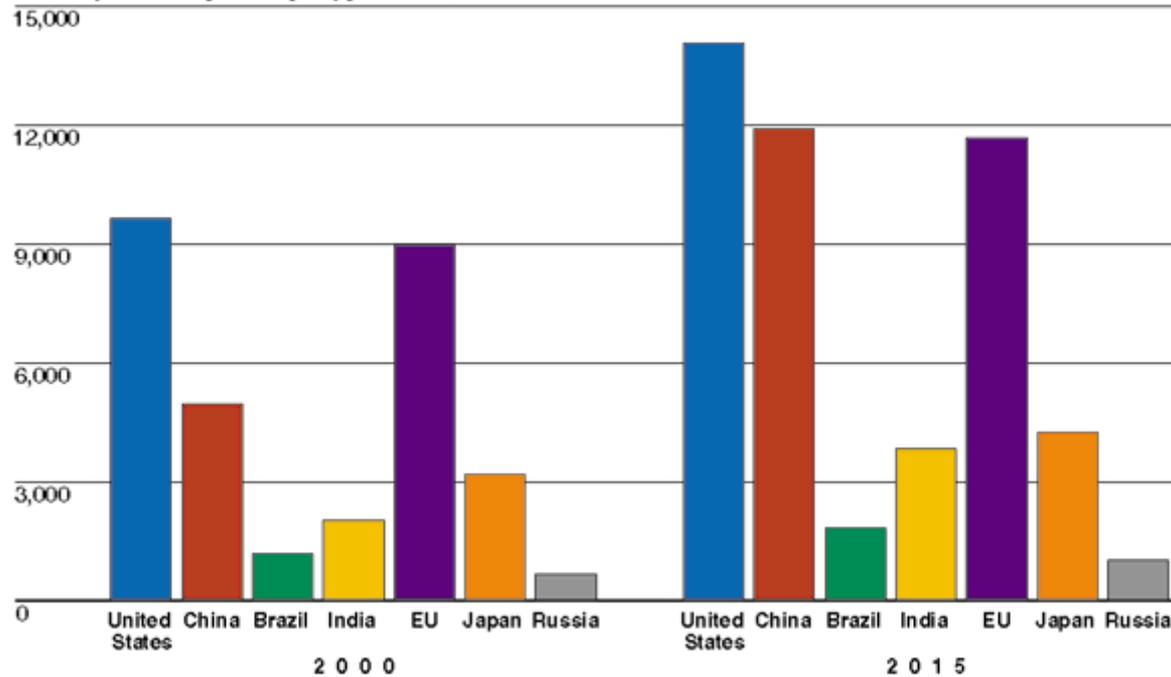


# Economic History



## GDP by Major Countries and the EU: 2000 and 2015

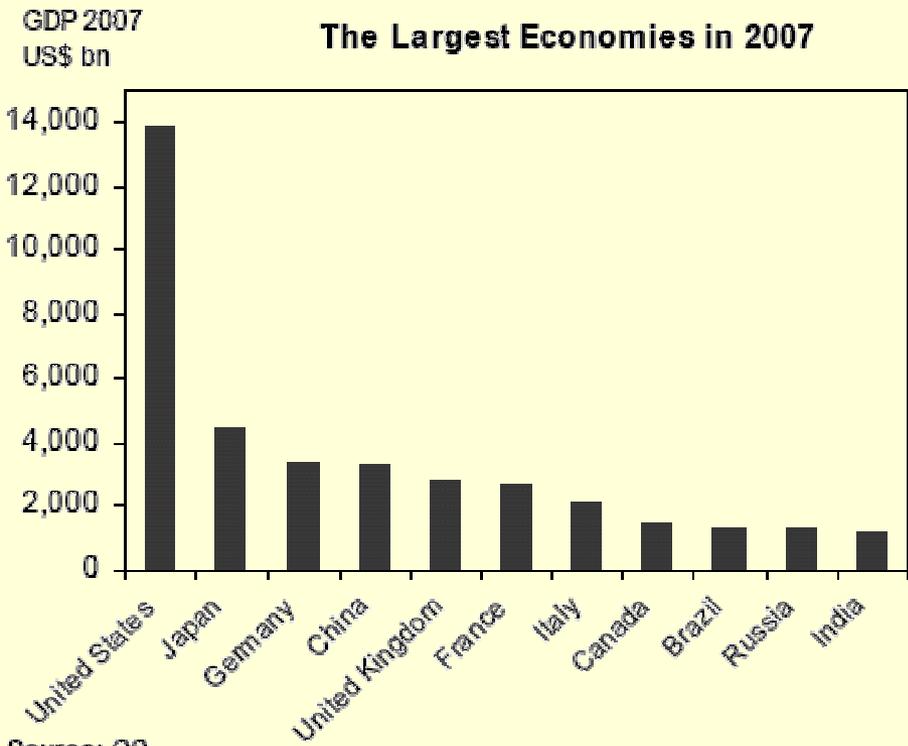
Billions of 1998 US\$ (purchase parity power data)



Source: CIA's Long-Term Growth Model.

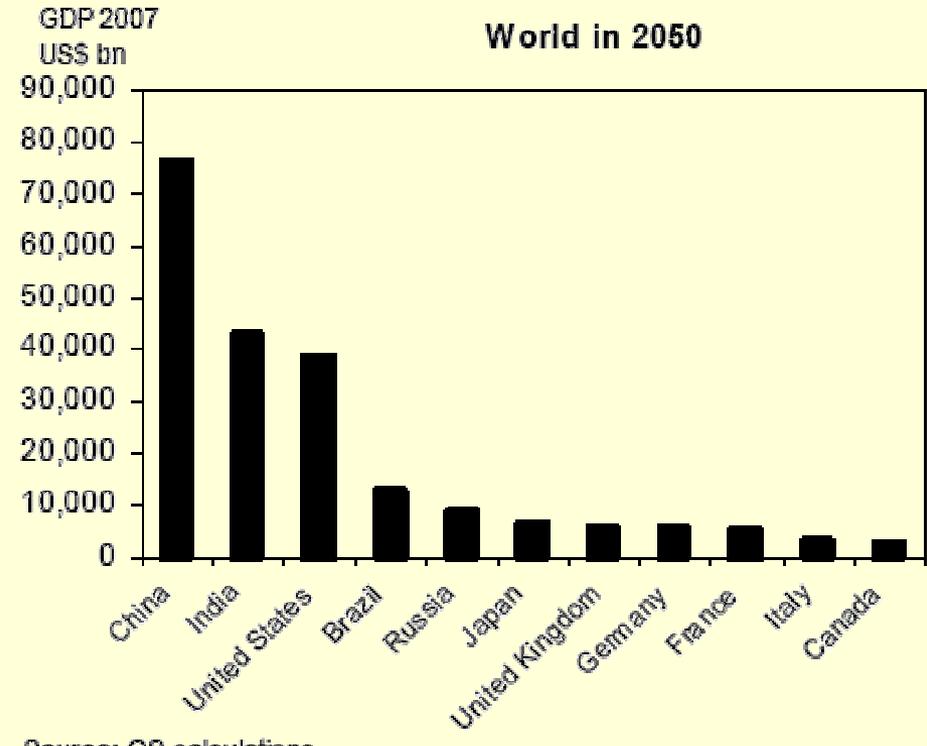
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**The Largest Economies in 2007**



Source: GS

**World in 2050**



Source: GS calculations

# Demographics Drives Domestic Consumption Drives Growth

- Population: 1,147,995,898 (July 2008 est.)
- Age structure:
  - 0-14 years: 31.5% (male 189,238,487/female 172,168,306)
  - 15-64 years: 63.3% (male 374,157,581/female 352,868,003)
  - 65 years and over: 5.2% (male 28,285,796/female 31,277,725) (2008 est.)
- Median age:
  - total: 25.1 years
  - male: 24.7 years
  - female: 25.5 years (2008 est.)
- Population growth rate:
  - 1.578% (2008 est.)
- Birth rate:
  - 22.22 births/1,000 population (2008 est.)
- Death rate:
  - 6.4 deaths/1,000 population (2008 est.)
- Net migration rate:
  - -0.05 migrant(s)/1,000 population (2008 est.)
- Sex ratio:
  - at birth: 1.12 male(s)/female
  - under 15 years: 1.1 male(s)/female
  - 15-64 years: 1.06 male(s)/female
  - 65 years and over: 0.9 male(s)/female
  - total population: 1.06 male(s)/female (2008 est.)
- Infant mortality rate:
  - total: 32.31 deaths/1,000 live births
  - male: 36.94 deaths/1,000 live births
  - female: 27.12 deaths/1,000 live births (2008 est.)
- Life expectancy at birth:
  - total population: 69.25 years
  - male: 66.87 years
  - female: 71.9 years (2008 est.)

Source: CIA- The World Factbook

# Domestic Consumption Needs Energy

	CHINA	INDIA	USA	EURO
<b>Population</b> (millions)	1,288	1,064	291	306
<b>GNP</b> (\$=billions)	1,417	571	11,013	6,978
<b>Water Use</b> (cubic kilometers)	526	500	467	185
<b>Energy Use</b> (quadrillion BTUs)	52	23	97	50
<b>GNP/Pop</b> (per capita income)	1,100	536	37,844	22,803
<b>Water/GNP</b> (cubic meters water per \$1.00 of GNP)	0.37	0.88	0.04	0.03
<b>Energy/GNP</b> (BTUs per \$1.00 of GNP)	36,717	39,926	8,808	7,210
<b>Water/Pop</b> (per capita water use in cubic meters)	408	470	1,606	605
<b>Energy/Pop</b> (per capita energy use in millions of BTUs)	40	21	333	164

# Opportunities You Identified

- Intellectual property in IT and Services
- Huge population/opportunity, economies of scale
- Huge middle class, explosive opportunity for amenities and luxuries of modern society
- Huge talent pool in math and science
- Huge talent pool that speaks English
- Labor pool—Cheap, good skill sets
- Government subsidies for international firms
- No need for local ownership
- Insurance products
- Health care products
- Clean water
- Hot country needs soft drinks, air conditioning
- Indians are really smart

# Challenges You Identified

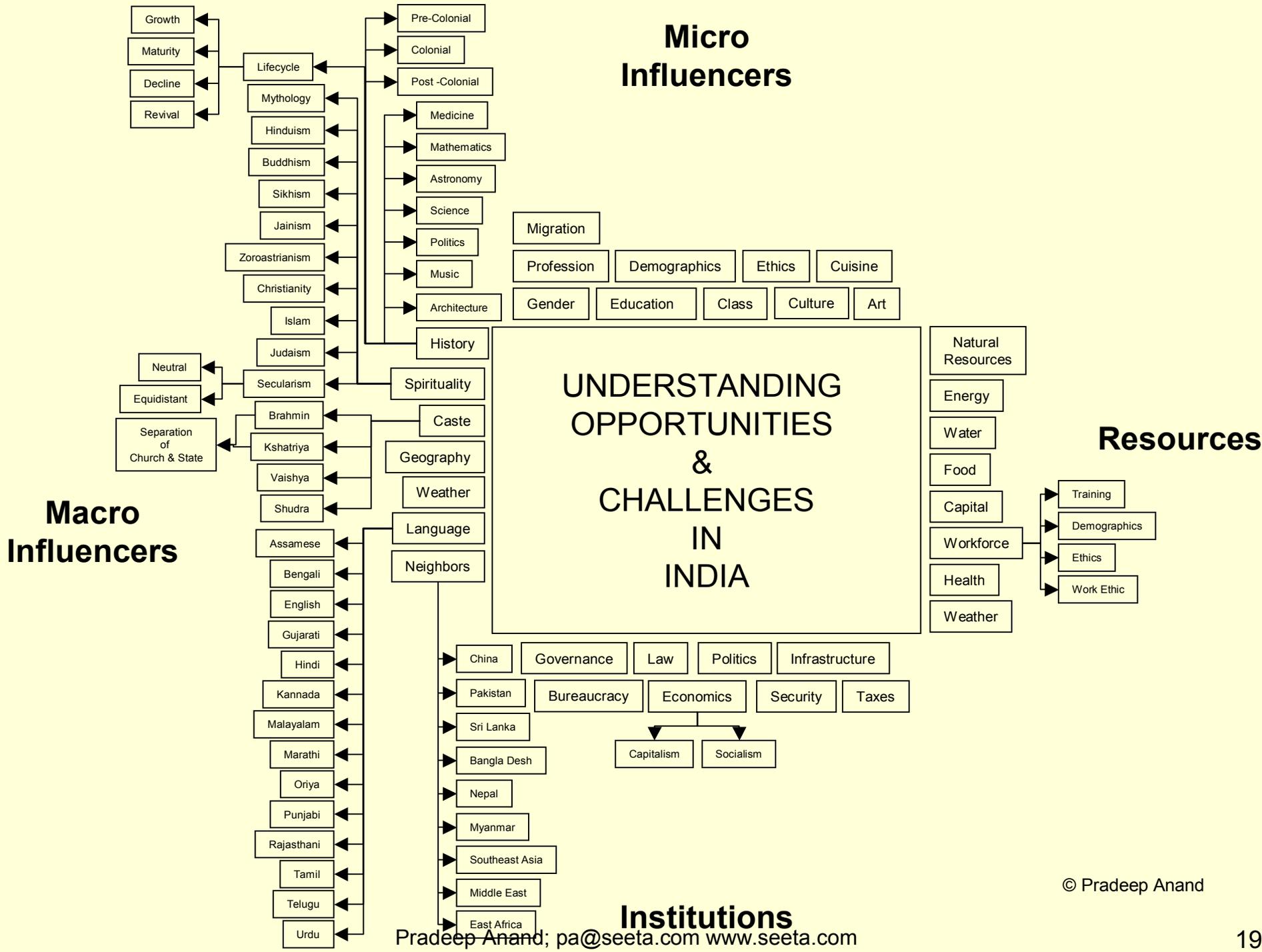
- Infrastructure and distribution mechanisms of taking products to customers
- Cultural differences—time, language, religious
- Disparity of wealth in the population
- Difference in what is fair in negotiation
- Timeline differences
- Bureaucratic, slow decision making process
- Have to deal with politicians, red tape and corruption
- Diversity of language and religion makes it difficult to create target products and services
- Child labor
- Geographically huge; difficult to market and distribute products
- Indians lack discipline
- Indians are really stubborn
- Government interference in business
- Slow legal system
- Political corruption
- Family owned businesses where decisions are made at the top
- Concentration of capital and labor around a few urban areas  
Bombay, Delhi, Bangalore
- Communication across caste barriers
- Lack of regulations to protect investments

# Business Models

- Agent/Representation
- Joint venture
- Wholly owned subsidiary

# Talent

- Executives, Management, Employees
- Dimensions
  - Macro
    - Cultural, religious, scientific, political, architectural, and economic histories of a people
  - Micro
    - Quality, Quantity, Characteristics, Drivers/Motivations
  - Available Resources
    - Infrastructure
  - Institutions
    - Political, religious, economic, legal, social and others that are important to business activities

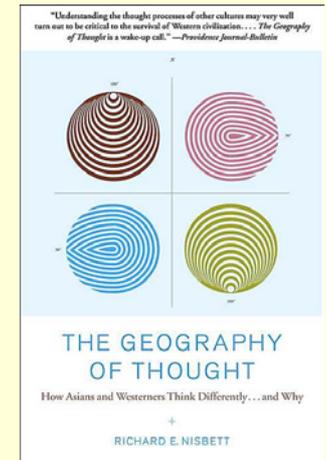


# West

Independent  
Focus on Object  
Categorization  
Stability  
Individuality  
Simplicity  
Self  
Individual Action  
Individual Distinctiveness  
Achieved Status  
Debate - Win  
Polyphonic Music  
Stability  
Universal Rules  
Fixed Agreements – Transaction Focus  
Combative Legal System  
Debate – Rhetoric  
Company is a system to perform tasks  
and functions  
“At Will” Employment  
Language Noun Driven  
History – Causal (Why?)  
Religious Wars - Common

# East

Interdependence  
Focus on Field  
Relationships  
Change  
Fitting In  
Complexity  
Environment  
Collective Action  
Blend Harmoniously in Group  
Ascribed Status  
Discussion - Consensus  
Monophonic Music  
Change  
Contextual Rules  
Malleable Agreements - Relationship Focus  
Resolution/Middle Way  
Avoid Controversy  
Company is a group of people working in  
relationship to each other  
Lifetime Employment  
Language Verb Driven  
History – Contextual (How?)  
Religious Wars - Uncommon



THANK YOU

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