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24-28 JUNE 2019

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- **The '100 Most Influential in UK-India Relations' list**
- **India Inc. Leaders' Summit**
- **The UK-India Awards**

The 2018 event was a resounding success, with:
- 50+ high-calibre and engaging speakers
- 200+ media articles and interviews published around the event
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It's dicey, but Indian companies must not turn their back on the UK

The largest parliamentary defeat for a British Prime Minister in a long, long time… a face-saving victory in a no-confidence vote brought by Jeremy Corbyn… and total confusion.

Three weeks after high drama in the Mother of Parliaments, there is still no clarity on what exactly will happen at 11 pm UK time on March 29, when Britain is scheduled to leave the EU.

I have found, in my interactions with Indian business leaders and policymakers, that there is considerable concern about the future.

Investments, which have made India Inc. the fourth largest foreign investor in the UK, is driven not only by the significant British market but also by the UK's position as India's bridgehead to the vast EU market and beyond. Many Indian companies have set up shop in the UK to take advantage of London's position as the centre of global finance.

With the uncertainty persisting over the final shape of a Brexit deal – with even a no-deal Brexit still looming as a massive threat – these assumptions of Indian companies are coming under question.

They have to ensure that their investments remain safe. I'm sure that the Tata Group, which is the single largest Indian investor in the UK, and the other big boys of India Inc. are already planning for multiple emerging scenarios, including the possibility of a no-deal Brexit.

It is the smaller, but no less significant players in their own sectors, who make up the largest group of Indian investors in the UK in terms of sheer numbers, who need to start doing the same.

At the same time, they should avoid knee-jerk reactions and desist from embarking on a particular course of action only because some of their peers are doing the same.

They should bear in mind that regardless of whether Britain exits the EU with or without a deal, the UK will remain the world's fifth-largest economy with truly global linkages with every part of the world. It will also retain its global technology leadership and its organically evolved infrastructure to support cutting edge innovation. And London will continue to be among the world's top financial centres.

These will not disappear overnight… or even in the next five-six years. Indian companies can continue to benefit from these for years to come.

REGARDLESS OF WHETHER BRITAIN EXITS THE EU WITH OR WITHOUT A DEAL, THE UK WILL REMAIN THE WORLD'S FIFTH-LARGEST ECONOMY WITH TRULY GLOBAL LINKAGES WITH EVERY PART OF THE WORLD.

In fact, there could be large gains for Indian companies that stay back as many retreating companies – such as Nissan, which shelved plans to build its new X-Trail in the UK – will leave open large market opportunities for those that stay back.

Thus it would make sense for Indian companies to consider more vocal backing of the UK economy.

The coming into force of the EU-Japan trade deal earlier this month shows that some nations are already putting Brexit behind them and moving on. Many more will do so in the months and years to come.

India's ties with the UK are centuries old and the two countries are tied together at several places and at multiple levels. Collectively, these can add up to form a mutually beneficial and potentially defining 21st century relationship.

The reality is that the tide is turning and Indian companies will ultimately need to take their own rational decisions based on economics. But they should consider their options very carefully before turning their back on the UK.

At a personal level, I wish the UK never voted to leave the EU, but Brexit is as much a state of mind amongst many Britons and its underlying causes must be addressed and the new opportunities it throws up must be encashed.

Manoj Ladwa
Publisher & CEO, India Inc.
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The latest UK Edition of 'India Global Business' evaluates the myriad aspects of the ongoing Brexit upheaval as Britain edges towards the March exit deadline from the European Union (EU). It includes the usual Guest Columns and interviews on a range of subjects.

SPECIAL FEATURE

HOTSPOT

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India's Budget: Fiscal prudence and structural reforms paying off

by India Inc. Staff

The Indian Budget will give confidence to foreign investors that Indian Prime Minister Narendra Modi's deep structural reforms and four-and-a-half years of hard graft cleaning up the economy are paying dividends. It will also give a much-needed fillip to demand whilst maintaining the holy grail of fiscal prudence.

Balancing fiscal prudence and political populism is an extremely difficult task but Indian Prime Minister Narendra Modi and Finance Minister Piyush Goyal have successfully walked the tightrope while presenting the Budget in the Lower House of the Indian Parliament.

The Indian government has offered a generous helping hand to India's distressed farmers, provided income tax relief to the salaried middle class, eased the indirect tax burden, in the form of simpler Goods and Service Tax compliance norms, for small traders and businesspeople and a mega social security scheme for workers in the unorganised sector.

And despite these giveaways, Goyal has managed to stay on the straight and narrow fiscal path, keeping the fiscal deficit, which foreign investors and global credit rating agencies track like hawks, to a very manageable 3.4 per cent, a slippage of 10 basis points compared to the target for the year.

The Indian Budget will, thus, give confidence to foreign investors that Modi's deep structural reforms and four-and-a-half years of hard graft cleaning up the economy are paying dividends.

Messages for all stakeholders

This Budget, presented by Goyal, is an interim one since the term of this government will end in May. It will then fall upon the newly-elected government to present a "full" Budget sometime in June-July this year.

This Budget makes a powerful political statement and sends out a multi-pronged message to several stakeholders in India and abroad. The most important message is intended

for the most important stakeholder – the Indian electorate.

By extending a $10-billion a year income support scheme for poor and marginal farmers, by providing a massive tax rebate to 30 million small and middle class tax-payers and by simplifying the GST compliance burden for small businesses, Modi is telling his core constituency not to get misled by the propaganda unleashed by the Opposition parties and a section of the media.

It is also a strong message to the foot soldiers and supporters of his party. He is telling them not to feel demoralised after the loss of three important states in the Assembly elections two months ago. By reaching out confidently to important electoral constituencies, he is giving them voice and something concrete to go back to the people with.

And by ensuring that his government sticks to the path of fiscal prudence, Modi is telling foreign investors, who have made India one of the top destinations of foreign direct investment (FDI) in the world, that he is running a responsible government that will not sacrifice rectitude at the altar of political populism.

Keeping populism in check

There have been reports that a section of influential leaders in the ruling BJP had been advocating a massive farm loan waiver – involving double the sum allocated for the income support scheme announced in this Budget.

This, it was argued by its proponents, would blunt the Opposition, which is expected to announce such a farm loan waiver promise in the run-up to the elections due in three months.

But Modi stood his ground and firmly turned down this demand. Since his days as Chief Minister of Gujarat, he has been a firm believer in fiscal discipline and had shunned political populism even when conventional political wisdom deemed it necessary.

And loan waivers harm the overall credit culture of any society and are fiscally profligate even as their long-term benefits remain debatable. It would have undone much of Modi's hard work in seeking to bring back disciple and confidence in India's banking system.

So, the government decided to pursue its political objectives by reaching out to important constituencies without taking recourse to extreme steps.

Every interim budget has a strong political message for the electorate and other stakeholders and this one is no different. It is also a report card of the incumbent government's tenure in office and this is where the Modi government scores very well.

THIS BUDGET MAKES A POWERFUL POLITICAL STATEMENT AND SENDS OUT A MULTI-PRONGED MESSAGE TO SEVERAL STAKEHOLDERS IN INDIA AND ABROAD.

Macro-economic stability

The Indian media has given massive coverage to the government's outreach to various sections of society. Relatively less space and time have been devoted to the macro-economic factors that provide strength to the Indian economy.

The fiscal deficit, which is a proxy for how much the government borrows, for the current financial year will be 3.4 per cent of GDP, a minor slippage from the targeted gap of 3.3 per cent. The figure for 2019-20 is projected at 3.4 per cent as well. It is slated to fall further to 3 per cent in 2020-21. This is in line with the government's earlier commitment.

Credit rating agencies, foreign analysts and macro-economists will make a little noise over this minor slippage but are unlikely to take any drastic steps.

That's because of the overall trajectory of this deficit, which has been curving downwards since the very profligate UPA years when it was at 4.5 per cent and more. A 3.4 per cent fiscal deficit is considered manageable. It will not crowd out private borrowing and it will not be inflationary either.

And given that the Modi government has brought retail inflation down from 8.33 per cent when it entered office to 2.19 per cent now, there is now a very real probability of the Reserve Bank of India (RBI) abandoning its hawkish stance on prices and focussing instead on growth. That could mean a downward revision of the policy rates, which will be good news not only for inflation but also for GDP and corporate growth rates as well.

The current account deficit (CAD) for 2018-19, ie, the current financial year will be 2.5 per cent of GDP, a very manageable figure.

There are other aspects of the report card that are equally important.

Cleaning the system

As Finance Minister Goyal said, the government has, in this term, laid the foundation for sustained economic growth in the years to come. He laid out a vision to making India a $5 trillion economy in five years and a $10 trillion economy eight years from then.

That foundation is in the form of the Insolvency and Bankruptcy Code (IBC), the Goods and Services Tax (GST) and the fight against black money.

IBC has changed the banking culture in the country. The earlier infamous "phone banking" system, wherein powerful ruling party politicians would call bankers and instruct them to process loans or restructure them, has given way to a rules based system that has no place for discretionary powers that can be misused for personal gain.

Result: No longer can influential industrialists borrow billions from public sector banks, renege on their repayment commitments and

continue in business without suffering any losses on account of their delinquency. In the recent past, even the biggest borrowers, many of them dollar billionaires, have lost control of their flagship companies on account of unpaid loans.

As a result, company owners have repaid a staggering $45 billion of previously dodgy loans and helped improve the credit culture in the country.

Goyal pointed out that GST has stitched 29 states and seven Union Territories of the country into a common market and ushered in, from an economic perspective, a truly United States of India, where previously there had been, effectively more than 30 discrete and partially protected markets.

Trucks can now move from Point A to Point B anywhere in the country without having to spend days at check posts at every state border waiting for often corrupt local officials to clear their path forward usually on the payment of speed money.

The initial glitches that were to be expected in a rollout as complex as GST have largely been ironed out and the few that remain are in the process of being sorted out.

As a result, it has become that much more difficult to evade taxes and this is leading to increasing formalisation of the Indian economy.

And the fight against black, or unaccounted, money has, following the cathartic demonetisation exercise two years ago has begun to yield concrete results. Undisclosed income of about $20 billion has come to light in the last two years alone and about $7 billion has been seized, Goyal revealed in his Budget speech.

Why you should be interested

Increased consumption… that's what this Budget is all about, if you cut out all the jargon and the frills. The income tax rebate for the middle class will benefit 30 million small taxpayers by bringing them into the zero-tax bracket. This will provide this very aspirational class with an additional $2.5 billion in liquid cash in the coming financial year.

Then the assured minimum income to farmers, under which small farmers owning up to 5 acres of land will get Rs 6,000 per year, will put an additional $10 billion into the pockets of 120 million small farmers and help ease their burden.

The additional spending of this amount will lead to demand for a variety of item and provide a fillip to economic activity from which the entire country, and by extension Indian and foreign investors, will benefit

And by setting aside a further $8 billion for the Ayushman Bharat health insurance scheme (a.k.a. 'Modicare'), the government will be providing a massive push to the healthcare industry. Both Indian and foreign pharma, medical equipment, diagnostic and other companies will benefit from this.

Likewise, the social security scheme, in the form of an old age pension for workers in the unorganised sector, will also directly benefit millions at the bottom of India's economic pyramid and set of a virtuous cycle that will benefit the entire economy.

The main takeaways

In sum, it is a Budget of a responsible government that is fully aware of its obligations towards all stakeholders. This includes vulnerable sections like small tax payers, farmers and unorganised sector workers, all of whom will benefit greatly from its provisions.

But unlike previous governments that have completely ignored other important stakeholders such as the global investment community when focussing on re-election, the Modi government has not turned its back towards their concerns.

And that fine balancing act is what distinguishes this budget from others. It bolsters his chances of not only getting re-elected and also burnishes his credentials as a serious economic statesman with a bold vision for the future.

Vision 2030: 10-Point Strategy Unveiled in the Budget Speech

1. Physical and social infrastructure
2. Digital India
3. Clean and green India
4. Rural industrialisation
5. Clean rivers
6. Oceans and coastline
7. Space
8. Self-sufficiency in food production
9. Health
10. Minimum government, maximum governance

Franchising is the way ahead for Indian businesses

Gaurav Marya is the Chairman of Franchise India Group, Asia's largest integrated franchise solution company since 1999. In this interview with 'India Global Business', he discusses recent trends in the brand financing sector in India, future plans of the company and more.

What makes the franchise and licensing market in India vibrant? Facts and figures

The Indian economy is very receptive to new business opportunities due to factors such as high disposable income, high entrepreneurial energy, growing urban population etc. and franchising has become the way forward for growth and distribution of Products and services across industries. Currently, India is one of the fastest growing large economies of the world with amongst the youngest populations at an average age of 29 years.

Quick Franchise facts about India:

- Franchising sector contributes nearly 1.8 per cent to the Indian GDP and forecasted to contribute 5 per cent to Indian National Income by 2025
- States in the South and West region of India continue to lead the nation in franchise employment and output growth in 2018. The top 12 states (UTs) suitable for franchising are: Andra Pradesh, Bihar, New Delhi, Haryana, Uttar Pradesh, Maharashtra, Tamil Nadu, Karnataka, Madhya Pradesh and West Bengal
- There are 4,600 franchisors in India with 50 per cent regional brands, 34 per cent national and 16 per cent global brands in the franchising sector in India.
- India has about 200,000 franchise stores operated by almost 170,000 franchisees. Approximately 26 per cent franchise buyers are women in individual capacity or as couple led/family business.
- Approximately 1.5 million people are employed by franchised businesses in India and the industry's big push in Micro Franchising & Fulfilment services promises to convert the 50 million employed in the unorganised sector towards higher paying blue collar jobs. An average franchise centre employs between 8-20 people with 70 per cent in white collar and 30 per cent in blue-collar jobs.
- Currently, only 35 per cent of the franchisees are first time business owners in India. Franchising in India has played a consistent role in getting people into the self-employment pool. 47 per cent people have no prior experience of running a business.
- Post graduates and graduates are forerunners in taking a franchise today to start a business with 84 per cent franchisees in India who have this educational qualification.

BRAND LICENSING IN INDIA IS GETTING TO A POINT WHERE WE ARE WITNESSING A LOT MORE MATURITY IN THE WAY IT IS SHAPING AS COMPARED TO WHAT IT WAS A DECADE AGO.

- 53 per cent franchising brands offer a startup business cost of less than or equal to Rs 500,000 to a prospective business owner thereby addressing the high entrepreneurial drive in the country at the Bottom of the Pyramid.
- Nearly 60 per cent franchise locations are in Unit Franchise format.

Brand licensing in India is getting to a point where we are witnessing a lot more maturity in the way it is shaping as compared to what it was a decade ago. The Indian licensing and merchandising industry is pegged at $1476 million and is expected to grow at a fast pace, credits to the influx of global as well as home-grown IPs. While the character/entertainment genre dominates the global licensing landscape, it is fashion that rules the L&M scenario in India with a market size of $673 million. The country is growing economically and technologically at a phenomenal rate according to projections by the World Bank and IMF. Licensing can play a key part in partnering with companies and making profits in India.

What are some of the recent big brands brought in by Franchise India?

There are over 4,600 brands currently in India that are growing through franchise route and yet the influx doesn't seem to slow down. The number of ultra-HNIs in India has been growing at 12 per cent CAGR. The number of ultra-HNIs in India to double to 330,400 with over $300 million worth of assets by 2022. This rise in the number of high net worth Individuals has also ascertained a level of sustainability in various ecosystems including franchising. 55 per cent of senior professionals have a more opportunity-driven approach, followed by 45 per cent inheritors and 44 per cent entrepreneurs taking this approach to introduce new concepts into the Indian market.

Franchise India has been actively involved in getting both Indian brands to grow from regional to national and international markets.

Some of the key Indian Brands where Franchise India is involved includes – Farzi Café, OYO hotels, Patanjali, Sri SriTattva, 3M, Mad About Dogs to name a few.
Farzi Cafe aims to bring Indian cuisine back "in-Vogue" and the name "creating an illusion" with its cuisine. Best described as a gourmet experience, it amalgamates traditional global and Indian classics, with Indian influences, contemporary presentations, culinary styles and ambience. OYO Hotels is a well-known budget hotel company that we have been working with. We

also have very strong associations with homegrown organic/ ayurveda companies such as Patanjali, by Baba Ramdev and Sri Sri Tattva by Sri Sri Ravi Shankar.

As far as international brands are concerned, we have introduced a number of companies across sectors through direct or indirect associations.

We recently associated with Malaysia based Berjaya Foods. BERJAYA FOOD BERHAD ("BFood") was incorporated in Malaysia in October 2009. It was converted into a public limited company on 3 December 2009 and listed on the Main Market of Bursa Malaysia Securities Berhad on 8 March 2011. As part of the Listing Scheme, Berjaya Roasters (M) Sdn Bhd ("BRoasters") was acquired and became a wholly-owned subsidiary of BFood in January 2011. We engaged with them through World Iconic Brands Hospitality Pvt Ltd (WIB).

BRoasters is engaged in the development and operation of the Kenny Rogers Roasters ("KRR") chain of restaurants in Malaysia. KRR has been producing healthy concept of 'less fat, less salt and less calories' by serving healthy meals for the last 20 years.

Malaysia's TeaLive, a bubble tea concept, has been introduced this year itself. We are associated with UK-based SSP Global, Food Travel experts; through which brands such as Crepe Cafe, a crepe specialty restaurant chain, Millies cookies, a renowned dessert and cookie speciality serving flavour delights outlet from London and Cafe Ritazza, a premier coffee house chain in the UK specialising in handcrafted coffees, suiting different cultures worldwide have entered the Indian market.

Under our company, Franglobal, we have got prominent global brands under our kitty. UK's Chaiiwala, is the most recent one apart from Wrap it Up again from the UK. There are other famous brands such as Donor & Gyros, a Dubai-based quick service restaurant chain entered in India, offering sandwiches in Berlin and Chicago style, and Malaysia's yogurt brand MOO COW. The Cheese Cake Shop, Little Kickers, a kids football academy, etc are also part of it.

Also, there are several global brands that have brands licensed in India through Bradford India (our licensing arm) including Compaq for its smart televisions; FTV's real estate business; Pepsi's footwear, Marie Claire Salon & Wellness Academy, Billboard Lifestyle Footwear, Cartoon Network, family entertainment centres, Swiss Military's men's electronic grooming products and Chhota Bheem merchandise among others.

Compared to other up and coming franchise markets like those of Ethiopia and Brazil, India has a much more scope for diversity because of the large population and its diversity in variety.

Consumer Spending in India stands at Rs 18,183 billion by the end of this quarter, according to Trading Economics global macro models and analysts expectations. The high disposable income of the middle class, a high entrepreneurial energy encompassing the economy and a preference for recognised brands makes franchising a win-win.

Is franchising a two-way trend; are some Indian brands equally sought after overseas?

Select Indian domestic brands have successfully forayed in the overseas market; however with the market still under-penetrated in India, most Indian brands first tend to focus on opportunities within the national market. However, we are witnessing a gradually growing demand for Indian brands in overseas markets in MENA & APAC regions in select categories such as food service, speciality fashion, home retail, bags & accessories, beauty & wellness, among others. A lot of Indian franchising brands have gone international and are doing well. The most famous ones would be the food service brand Cafe Coffee Day which is already in Austria, Malaysia, Egypt & Czech Republic, and the premium casual dining brand Farzi Café, speciality Indian fashion and home brand Fab India, mid-market hotel chain OYO Hotels and taxi aggregator OLA cabs. Seeing their success and growth, one can imagine that more F&B and Apparel brands will soon be able to take the global route. Typically private equity funded Indian brands have shown most aggressiveness to step outside India for growth.

Which are some key source markets for Franchise India and why?

As far as key source markets are concerned, Brands from countries such as North America, Australia and the UK top the list because of big Indian diaspora living in these countries who have experienced the success of the brands and a lot of

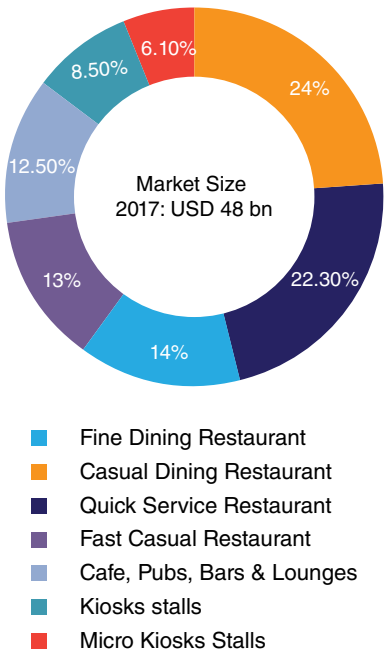
Non-Resident Indians want to bring these brands to India through a master franchise arrangement.

Additionally, brands from the APAC & China region including Singapore, Malaysia, Hong Kong and Japan and Korea have been aggressively entering the Indian market. From mobile phone brands from China to speciality retailers like Miniso, Mumoso, and cosmetic brands from Korea like Mumuso, and lean living brands like Muji from Japan have been vying the Indian customer with their quality products and competitive prices. Till now, more retail and Food service brands have in fluxed in the market. We now are hoping to see more service based formats like cleaning services, education, healthcare move from these countries to India.

What are the major sectors in play and the ones with growth capacity in coming years?

Food & beverage and apparel retail have always remained key sectors in franchising; we have observed a growing traction in other verticals such as edutainment, beauty & wellness and specialty retail concepts. We also have emerging sectors such as pet grooming, education, service sector franchising/ licensing, IT, laundry services and many more.

Food Services Industry



F&B

The Indian food and beverage industry is worth $400 billion today. The constantly evolving industry is fed by great demand for quality food and food delivery services and is being fully supported by finer operational tools and product innovation by the industry operators. This sector has been identified as one of the priority sectors under the "Make in India" initiative. In the year 2016, funds of Rs 20 billion have been set up by National Bank for Agriculture & Rural Development (NABARD) to provide credit facilities to meet the needs of the F&B sector. The sector is going to benefit immensely from the large agriculture and livestock sector in the country. As far as sales are concerned, 98 per cent of it comes from offline channels. The shift is gradually leaning towards online sales. Nearly 50 per cent of fast-casual operators have embraced digital ordering. The CAGR of the sector is over 14 per cent while other industries hover around 10 per cent consistently.

Grocery

The grocery market accounts for more than 60 per cent of the total retail market in the country. The grocery stores have been through a transformational phase. Grocery retail has experienced sea-change with the new players opening stores in self-service mode and older players adopting the new format. Over the counter format has rapidly changed to self-service mode. With the Government's initiative towards digitisation and transparency in the banking system combined with consumers' inclination towards modern self service chained stores, more traditional players are nowadays changing the format of their stores.

Apart from this, the CAGR of the sector like that of F&B sits high at 15 per cent. This raises an opportune age for franchising retail stores for groceries. We have seen almost an infinite rise in the sector, as it was non-existent up until a few years ago. Brands like 24/7, Big Bazaar & Easy Day have made the most of it.

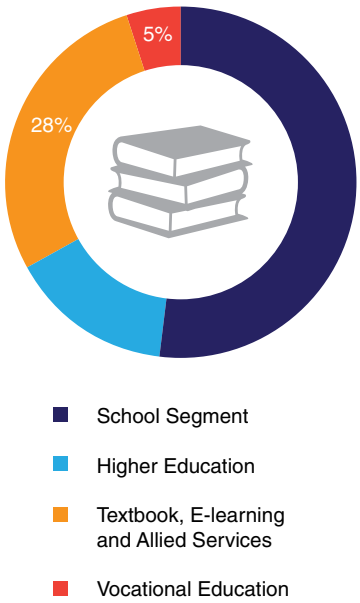
Healthcare

The healthcare sector has a substantial CAGR of 20.5 per cent Major brands such as Dr. Batra's, Dr. Lal Path Labs, Clove Dental and Indira IVF have sat on the growing franchise bandwagon and seen bright results. The factors causing these are increasing life expectancy, growing incidence of chronic diseases, ageing population base, increasing disposable income, rising health consciousness, and growing adoption of wellness and personal care products by the young population.

Education

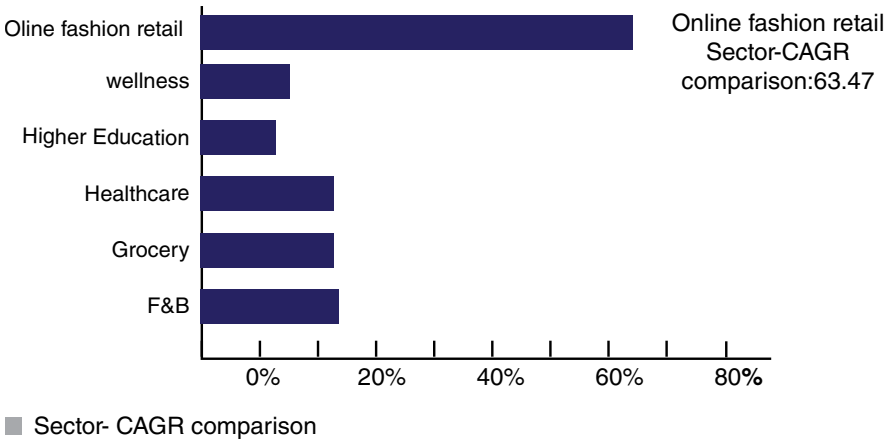
The education sector in India is

Education Sector

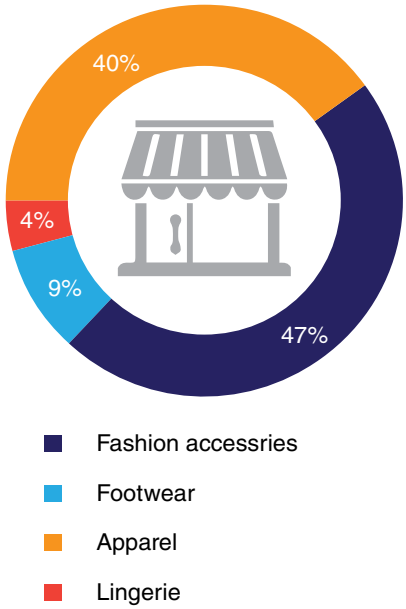


FRANCHISING HAS BECOME THE WAY FORWARD FOR GROWTH AND DISTRIBUTION OF PRODUCTS AND SERVICES ACROSS INDUSTRIES.

Top franchises Sector CAGR company (India)



Indian Fashion Retail Industry (by value)



poised to witness major growth in the years to come as India will have the world's largest tertiary-age population and second largest graduate talent pipeline globally by the end of 2020. India has 1.5 million schools and over 260 million students enrolled. With 70 million students in higher education, India has the largest student base in higher education in the world. The present education system has changed what it was a decade ago. India has become the second largest market for e-learning after the US. The sector is currently pegged at $2 billion and is expected to reach $5.7 billion by 2020.

Wellness

In a country where more than 47 per cent of the population is under the age bracket of 25 years, health and wellness plays a very vital role. The wellness industry in India has come a long way from its nascent unstructured beginning in the early 1990s to a comprehensive ecosystem today. People are more aware and conscious about their health than they ever were. The sector has a potential to create over 3 million job opportunities.

Again, the promise of this sector is reflected by a high CAGR of 12 per cent.

Fashion & Retail

The Indian fashion retail market is valued at $100 billion in 2016. With push from demonetisation and GST, rising disposable income and consumer getting brand conscious, will lead to growth in organised fashion industry. With the data showing men purchase apparel every 48 days and women every 62 days, the fashion industry is soon to become the new FMCG.

With a CAGR of 63.47, online fashion retail is perhaps the most promising sector in the country.

I see upcoming brands that provide just kitchen is a services to restaurants. Now, that is a new and innovative trend. It is providing a solution for restaurant owners, and I don't see the model failing, unless something goes terribly wrong. Like I said, the potential is high for all sectors. The Indian economy is resourceful and all the indicators are in favour of the industry. I don't see that changing in the foreseeable future.

What in your view makes the franchising and licensing model a lucrative option for companies with global ambitions?

I feel that franchising is an excellent strategy for horizontal expansion, but when a brand looks for multi-dimensional expansion or diversification, brand licensing is the best bet. Licensing not only helps a brand scale up in terms of value proposition, it also grows beyond its core category. For instance, a brand like Kodak forays into categories like televisions or washing machines, or the Head Sports foraying into fragrance segment. This results in additional revenue, without much of a risk or hassle thus becoming a lucrative growth strategy for brands wanting to go global. At one of our recent flagship shows, MTV, a renowned music television channel had launched its drink in India.

Franchising and licensing offers a convenient market entry option to brands with global expansion. A brand can target a market with a sizeable opportunity through these routes even as the brand has limited market understanding. Financial commitment is considerably reduced when foraying market through these routes with a strong upside with master fee and royalties.

Tech Partnership connects two of the world's most innovative countries

by Liam Fox

As Britain continues to work on an acceptable withdrawal agreement with the European Union (EU), one of the senior-most UK ministers at the heart of the debate reiterates the importance of India-UK ties in a post-Brexit context.

It has never been more important for the UK to work with old allies and new partners across the world to boost trade and preserve the international rules-based system. And no country is more central to this plan than India.

Our relationship is already strong. The UK is one of the world's oldest democracies, India is the world's largest. Our shared values and commitment to free trade are magnified by personal, professional, cultural and institutional ties between our two countries.

Trade between our countries is now worth nearly £22 billion. This is a significant increase of almost 27 per cent from the previous year.

UK companies employ nearly 800,000 people in India and we have invested more in the country than any other G20 nation over the last 10 years.

British business organisation the CBI estimates that UK companies are creating one in every 20 jobs in India's organised private sector. This includes well known investors such as Vodafone, BP, HSBC, Standard Chartered, G4S and Unilever – but also new investors such as Dyson, which launched numerous new products in India throughout 2018.

In the last five years alone, UK companies have reinvested over £4.5 billion of their profits of straight back into the growth of their Indian businesses

But this relationship is not one-sided. India is UK's fourth largest investor, with our country receiving over half of all Indian investment into the EU, safeguarding more British jobs than any other country.

In 2017, India established 120 new investment projects in the UK, creating 5,659 new jobs and protecting almost 550 jobs.

In addition, Indian companies currently employ more than 300,000 people across the tech and telecoms sectors in the UK – a figure that is growing by between 7-8 per cent each year.

And I was delighted, and not surprised, to see India rise even further through the World Bank's Ease of Doing Business report – coming in at 77th, up from 100th in 2017 and 144th in 2016. This placed

THE UK AND INDIA ARE BOTH GLOBAL LEADERS IN TECHNOLOGY AND TWO OF THE WORLD'S MOST INNOVATIVE COUNTRIES.

India as one of the best-performing nations in terms of reforms in the business environment.

Significant steps forward, including the implementation of electronic sealing of containers, improvements in port infrastructure and the introduction of electronic documentation, have been taken. Access to electricity and access to credit has also improved.

However, as Prime Minister Modi showed in November when launching his new 'Ease of Doing Business Grand Challenge', there is more to be done. Which is why he is inviting innovative tech-based ideas to further improve government processes.

Which leads me to discuss why I feel technology lies at the heart of the UK-India relationship.

The UK and India are both global leaders in technology and two of the world's most innovative countries. This is why we have jointly committed to using this expertise to help increase trade and investment, creating growth and jobs and addressing the greatest challenges facing us today.

To cement this commitment, Prime Minister Theresa May and Prime Minister Modi launched the UK-India Tech Partnership in April 2018. An ambitious meeting of minds in our two countries, it will see the UK Government invest £14 million to identify and pair businesses, venture capital and universities, among others, to provide an access route to markets for British and Indian entrepreneurs and SMEs.

To build the network, the Government is engaging in-country experts to work with the British High Commission in New Delhi, the Indian Government and the private sector in order to increase tech investment, exports and research and development.
We will also create regional cluster teams that will link specific cities and regions in India and the UK to establish sector-specific partnerships.

A major initiative under the partnership was the India-UK FutureTech Festival, held in New Delhi in December 2018. A thought leadership summit that brought together over 2,000 businesses, policymakers, venture capitalists, scientists and entrepreneurs, it explored and celebrated how the UK and India are together addressing some of the world's biggest challenges and opportunities together. This includes data and privacy, an ageing population and future mobility.

As part of the Festival, they also awarded seven Indian start-ups TECH Rocketship Awards, giving the companies the opportunity to come to the UK and build their local presence. Thanks to the programme, 40 winners from across India have already travelled to the UK to meet with potential partners and venture capital firms, also being introduced to a network of contacts to help launch or develop their operations in the UK and internationally.

The FutureTech Festival set a global benchmark for technology partnerships like the one forged between the UK and India. It also provided the perfect platform to drive forward UK-India collaboration as we build towards an even closer future together.

A future relationship that will also be deepened by the India-UK Trade Partnership, which was also announced on Prime Minister Modi's visit to the UK. This will seek to improve the accessibility of trade for businesses in both countries by reducing barriers to trade.

And, as we look to the year ahead, I feel incredibly excited about what is in store for the UK-India relationship with our shared vision of a deep and dynamic partnership.

So, let us work together to meet global challenges and build a brighter, more prosperous future for India, the UK and the world.

Dr Liam Fox MP is the Secretary of State for International Trade and President of the Board of Trade UK.

Cancer Research UK's tie-up with India seeks to develop an innovative approach to research

by Nick Grant

Nick Grant, Executive Director of International Partnerships at Cancer Research UK, discusses a unique initiative between the Government of India and Cancer Research UK – the world's largest independent cancer research charity.

Cancer affects all people, from all backgrounds, indiscriminately. The challenge of beating cancer, a disease that has no borders, is a global one.

It's predicted that more than 29.5 million people will be diagnosed with cancer worldwide by 2040*.

India is experiencing a rapidly rising cancer burden. In 2018, it is estimated that more than 1 million people in the country will be diagnosed with cancer. It has the third highest number of cancer cases in the world and the second highest number of cancer deaths globally*.

Tackling this rising cancer burden both in India and around the world requires a collaborative solution. And addressing this burden has become an area of priority for the Government of India, which is aiming to develop affordable approaches to fighting cancer.

We know that research can save lives, but it's vital to consider the cost and feasibility of research outcomes reaching all patients in need. With a growing population, frugal development is key. A creative and innovative approach is required to combat an escalating and ever expensive problem - one that is shared by countries around the world.

To meet this challenge, India's Department of Biotechnology (DBT), Ministry of Science & Technology, and Cancer Research UK have announced a bilateral initiative to develop affordable approaches to cancer treatments.

Cancer Research UK is ambitious in developing international collaborations; seeking to bring together the best minds and most innovative ideas to address the global challenges in the prevention, early detection and treatment of cancer.

From discussions we've had with research communities in India and around the world, there is clearly a huge appetite to change the way research is conducted and there is a strong desire for a more collaborative multidisciplinary approach.

In a partnership born from shared priorities around affordable healthcare, Cancer Research UK and the DBT will invest £10 million in a 5-year pilot collaboration initiative. The funding will go towards the development of new research alliances and aims to undertake impactful research, focussing on affordable approaches to preventing, diagnosing and treating cancer.

The initiative was launched at a researchers' summit held in New Delhi, in mid-November and brought together leading Indian and UK experts to identify the core research challenges under the theme of affordability.

Keynote speaker Professor K. VijayRaghavan, principal scientific adviser to the Government of India, stated that data sharing was vital and called for policy and regulatory changes to catch up with rapid advancements in cancer research. He hopes that together, the bilateral partnerships will explore new frontiers of research.

Also speaking at the summit Professor David Hunter, chair of the India-UK advisory panel and director of the translational epidemiology unit at the University of Oxford, asked how much cancer and cancer death could be prevented? He reflected on what would happen globally if it were possible to eliminate smoking, obesity and infections. Eliminating tobacco use alone could have a huge impact, as according to The Global Adult Tobacco Survey an estimated 42 per cent of men smoke in India. In addition, he stressed that it is very important to extend access to care, with a focus on delivering care at cost and scale. But he also highlighted that it's key to ensure affordability is not perceived as providing second-class care.

Dr CS Pramesh, co-chair of the India-UK advisory panel, director of the Tata Memorial Hospital and coordinator of the National Cancer Grid, said that India has had success in producing low-cost healthcare solutions. India spends only 1.5 per cent of GDP on healthcare, which means affordability is key. He spoke about how India led the world on generic drug manufacturing, and the country's experience in affordable approaches could be more widely applied to cancer prevention, diagnosis and treatment.

INDIA'S DEPARTMENT OF BIOTECHNOLOGY (DBT), MINISTRY OF SCIENCE & TECHNOLOGY, AND CANCER RESEARCH UK HAVE ANNOUNCED A BILATERAL INITIATIVE TO DEVELOP AFFORDABLE APPROACHES TO CANCER TREATMENTS.

Professor Ruth Langley, University College London and one of the members of the advisory panel, is already involved in collaborative research between India and Cancer Research UK as the lead researcher of the Add Aspirin trial. This trial is supported by the Tata Memorial Centre and is studying the use of aspirin to reduce relapse after treatment for early-stage cancer. The trial, which will recruit 11,000 participants, would not be possible without collaboration. Recruitment is still open in 11 centres across India for patients who have been treated for early stage breast, colon, gastro and prostate cancer.

The thought-provoking summit included experts from various fields, including industry. Their presence is essential in ensuring future research can be translated into affordable solutions, which can have a real impact in India, the UK and more widely.

The international partnership is now building on the specific areas of scientific opportunity identified at the summit. Overseen by a newly-established advisory panel, with experts from both countries, the project will have three phases.

In the first six months, specialists from India and the UK will identify and articulate the core research and innovation challenges in affordable approaches to cancer. It's likely these challenges will include a range of areas, such as new approaches to identifying risk factors, early detection and diagnosis, and re-purposing of drugs.

In response to the set challenges, India-UK scientific collaborations can apply for seed funding for a 12-month project, to pull together preliminary results.

Based on the success of the smaller research grants, in the third phase, funding will be given to support large-scale studies. These awards will be for three years and have the potential to deliver translatable research outputs. Most of the £10 million research funding will be invested at this phase.

Cancer Research UK is looking forward to seeing the innovations this bilateral partnership inspires. The impact of cancer is great and beating it will require a global collaborative effort. By working with a wide variety of sectors and specialists, an interdisciplinary network can be built. We hope this initiative will find solutions that will not only improve cancer survival in India, and the UK, but also around the world.

Now is the time for collaborators in the cancer research space, not competitors. This partnership is a glowing example of how we need to take cancer research into the future.

Nick Grant is the Executive Director of International Partnerships at Cancer Research UK

India and UK committed to boost relations

UK markets continued to offer new opportunities for companies eyeing expansion beyond Indian shores.

Byju's looks to launch its app in US and UK

After raising $540 million in fresh investment, Byju's, India's leading education technology start-up, is aiming to start its online learning app in the UK and US.

Byju's raised over $500 million this week from South African internet group Naspers and the Canada Pension Plan Investment Board. The fund raise valued the company at $3.8 billion.

Byju's provides video tutorial and educational games to schoolchildren through its app. Since the launch in 2015, the start-up has become one of the world's largest online learning companies. Byju's app is used by around 30 million Indian students between the ages of nine and 17.

The company is now looking at targeting even younger learners abroad, with new products aimed at three to eight-year-olds in English-speaking countries like the US, UK, Australia, New Zealand and Canada.

Byju Raveendran, Founder of Byju's, said, "There's an opportunity that's untapped. There's no playbook here in terms of what has worked before, and what can work for us.

"The company has invested in adapting to different education systems and tweaking the English accents in its apps. It also plans to buy existing edtech companies in other countries, and is considering going public in two or three years."

CDC commits $25mn to Lighthouse

Consumer-focused mid-market private equity firm Lighthouse has received a commitment of $25 million (around Rs 179 crore) for its third private equity fund, Lighthouse India Fund III from UK's CDC Group plc, a development finance institution owned by the UK Government.

Other investors in the fund include marquee institutions and global family offices.

CDC, one of the largest institutional investors in Indian PE funds, has committed over $1.7 billion to Indian funds since 2004.

Alagappan Murugappan, MD and head of Asia Funds, CDC, said in a statement: "This investment enables CDC to get our capital into family-backed, small-to-midcap businesses in job creating sectors. As India transitions from a developing to a developed economy, SMEs will play an increasingly important role but they will need more investment than ever."

Historically, Murugappan went on to add, the SME segment of the Indian market has seen a widening gap between the supply and demand of capital.

Lighthouse's Co-Founder Mukund Krishnaswami said, "CDC brings decades of experience working in emerging markets and in India particularly. We look forward to their partnership and guidance as we continue to back entrepreneurs building long term, sustainable businesses."

UK universities to recruit more Asian students

Some of Britain's leading universities struggling with a funding crunch in the face of Brexit are expected to increasingly turn to recruiting more overseas students, who pay much higher fees than locals.

China and India are expected to be at the forefront of this overseas student influx, with university chiefs expecting their figures to surpass that of British students across UK campuses.

Anton Muscatelli, vice-chancellor of Glasgow University and chairman of the Russell Group, which represents the UK's 24 leading institutions, told media that leading universities were now likely to try to recruit many more overseas students - particularly from China and India - to offset a series of financial challenges.

Exeter University is already seeking to boost overseas student numbers by up to seven per cent. Steve Smith, its vice-chancellor, said universities made money on overseas students but only broke even on UK students. In London, foreign students already outnumber British ones at the London School of Economics, where almost two-thirds are from abroad, and at Imperial College.

Professor Alan Smithers, of Buckingham University, said that British students may feel increasingly uncomfortable at universities dominated by Chinese and Indian students. He also warned that the government would face pressure for migration rules to be changed to allow overseas students to work after they finished their degrees.

UK, India undertake project to hike crop yields

by Andrew Walker

An agricultural and environmental expert highlights some of the ways in which smallholder farmers in India can benefit from international expertise.

Indian agriculture has been blighted by a depleting water table and declining productivity for decades. Tens of thousands of Indian farmers recently marched to Parliament to highlight the deepening agrarian crisis. The farmers' plight is also expected to play a key role in the General Elections this year.

Everyone agrees that making smallholder farmers' livelihoods sustainable is a priority, so the government has set a target of doubling farmers' incomes by 2022. However, to achieve this, steps need to be taken. These include addressing farmers' use of fertiliser and irrigation systems, improving infrastructure and market access, and forming farmer producer groups with strong farm leaders.

Smallholder farms of 1-2 ha of land ought to be able to access national and international supply chains and sell their raw materials to a wide range of food producers. Food businesses are increasingly waking up to this and undertaking projects that aim to help Indian farmers access new markets.

Improving crop yield has been a major concern for many years in India. The government has a long-standing policy of subsidising the cost of nitrogen-based fertiliser. This policy has not led, however, to increased crop yields. ADAS, an RSK company, has been collaborating with the University of Cambridge and the National Institute for Agricultural Botany in the UK and with Indian researchers on the Cambridge-India Network in Translational Nitrogen (CINTRIN) project, which aims to find out why.

IMPROVING CROP YIELD HAS BEEN A MAJOR CONCERN FOR MANY YEARS IN INDIA.

Farmers in India have long received mixed messages or little advice on the use of fertiliser. The result is that they may under- or overapply this important enricher, which results in poor crop yields and negative environmental impacts. Farmers need advice on how fertiliser applications influence yield, so the CINTRIN project hopes to address this by producing more practical information and resources.

Researchers on the project in the UK and India have been studying ways to optimise nitrogen fertiliser use to improve yields for wheat, millet and sorghum. Data from this project showing how different nitrogen application rates influence yield will be shared with farmers to help influence their practices.

The situation for smallholder farmers in India regarding fertiliser is particularly challenging for several reasons. Many smallholders have moved away from traditional practices such as mixed farming, so no longer have access to beneficial livestock manure for fertilising their crops. This makes them more likely to turn to artificial fertiliser, which is costly and may damage the environment through nitrogen run-off into water supplies. Lack of efficient infrastructure in rural areas is also a major challenge. Smallholder farmers in rural communities that are cut off from a good transport infrastructure suffer from lack of access to markets. They face long distances to collection centres on poor roads and no cold chain to ensure the quality of their crops when they arrive.

Many farmers also do not know how to access new buyers and are ignorant of buyers' requirements.

Moreover, markets in India are not well developed and farmers do not have the means to seek them out. The result is that if a smallholder finds a buyer for one crop they often stick to this crop and then become completely dependent on this single source of income. Some are encouraged to do so by the promise of "cash" through growing cash crops.

This has led to a shift from smallholders growing a selection of crops to monocropping, which stops crop rotation and contributes to reduced soil fertility. It also exposes farmers to greater risk owing to the volatility of crop prices. The increase in monocropping has contributed to the fall in livestock production and the subsequent reduction in the supply of good-quality organic fertiliser. To correct the problem of declining soil fertility, farmers are encouraged to use nitrogen fertiliser, but often apply the wrong amount. Training is urgently needed in this area.

Water is a key issue for many Indian farmers, as there is high demand for the available water from both agriculture and a growing population. Climate change is also affecting the availability of water, as changes in rainfall patterns are causing shortfalls in some locations. It is important that water is used efficiently to ensure that there is enough to go around. ADAS has recently worked with a global food manufacturer to understand how the farmers in its supply chain, including those across India, are using water.

The project has modelled the efficiency of these practices against optimal irrigation practices. This work has helped to highlight areas of lower efficiency to enable the global food manufacturer to put targeted training programmes for local farmers in place to help them improve their water use efficiency. Water use is an important issue for global food businesses, as they seek to secure a sustainable supply of raw materials in world markets and strive to meet the targets they have set to address the UN's sustainable development goals, which include the efficient use of scarce resources such as water.

Farmers in India do not currently have enough information on how to adapt to the new climatic conditions, particularly in relation to field irrigation. The irrigation systems smallholders use are often simply open trenches or pipes, which lead to high evaporation levels. Piped irrigation urgently needs introducing in many areas to prevent such evaporation and target water use to the crops. There has been some government financing for irrigation systems, but the move from open irrigation to pipes is expensive, so needs tackling collaboratively. Partnering with nongovernmental organisations and multinational food producers looking to meet their sustainable development goals can provide a way forward for Indian farmers seeking to improve their irrigation systems.

Smallholder farmers in India typically operate individually, as efforts to set up more cooperative structures have been unsuccessful. Farmer producer groups are now being promoted as a positive way to improve efficiency and productivity for smallholder farmers. To be successful, farmer producer groups need strong leaders who can gain the trust of farmers. These groups need ways to access technical knowledge and to set up effective methods of knowledge transfer to extend the benefits of their group to many small farms.

Working together and pooling resources can make it easier for farmers to access affordable financing arrangements from banks. Access to financing can support the cost of infrastructural changes such as improved irrigation systems. Some government financing has been forthcoming through subsidies for irrigation systems and there is now a push for loan waivers. Some successful farmer producer groups have been set up in India, but opportunities to scale up this concept are urgently needed to foster a more professional approach to food supply chains.

Model farms are a great way of showcasing the benefits of adopting new methods and the importance of integrating the whole value chain. Seeing the benefits of new farming methods at first-hand in a model farm goes a long way to changing farmers' behaviour and helps with knowledge transfer. When farming provides the only family income, farmers are reluctant to take risks, so they take a lot of convincing to change their practices.

Model farms can provide an excellent way to persuade farmers of the benefits of new practices and can be linked with the setting up of farmer producer groups. Farmers learn well from other farmers. If they can see the improvements that can be made by changing practices, they are more likely to be convinced. The challenges now are to find the resources and the leaders to scale up these new ideas and to mobilise the hundreds of thousands of smallholder farmers across India.

Andrew Walker is a Director at ADAS – a UK-based agricultural and environment consultancy working with international food and agrichemical producers.

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The significant opportunities for UK SMEs to trade with India

by Mark Ling

A financial expert weighs up India's booming market where Britain's small and medium enterprises (SMEs) can find an export niche.

India has fast become one of the UK's primary trading partners. According to official UK trade figures, exports to India grew 31.8 per cent in the year to March 2018 – reflecting great opportunity for further growth by UK businesses. The UK's Department for International Trade (DIT) was keen to point out that exports grew faster to India as well as the likes of Canada (up 12.7 per cent) and China (15.3 per cent) than to the European Union (10 per cent).

The dynamics shaping India and its economic momentum make it extremely attractive to UK exporters. It has become one of the fastest-growing economies, with GDP growth of 7.7 per cent and total GDP at $2.6 trillion in 2017, overtaking France to become the world's sixth-largest economy. Over the next seven years, its GDP is expected to nearly double to $4.5 trillion.

A large part of this growth comes down to India's young and aspirational population. By 2025, there will be 1 billion people under the age of 35, with a workforce of some 800 million. It has been estimated that 25 per cent of the world's working age population will be in India. Consumption is expected to nearly triple, from $1.4 trillion in 2017 to $4 trillion by 2025.

Santander recently published the 'Trade Barometer Annual Report' 2018. This study brought together an unparalleled level of research among UK SMEs, conducted so far in five waves between 2017 and 2018, to formalise their views and sentiment towards global trade and exports. One of the (many) findings was a growing focus on non-European or US markets with a clear uplift in interest in Asia trading superpowers such as India.

For example, our Trade Barometer found that more UK businesses intend to invest in international expansion, with 69 per cent planning to expand their international activities during the next 12 months.

Brexit was not deterring businesses from pursuing growth opportunities and many see attractive opportunities in global markets outside of the EU, where growth prospects may be greater. Almost a third (31 per cent) now expect growth to be strongest in the Asia-Pacific region, with markets such as China and India attracting increasing interest.

In a separate finding, India ranked above China, Hong Kong and Singapore in an assessment of the markets that UK businesses are currently doing business in and expect the most growth over the next three years. While four out of the five countries where UK companies are currently trading are in Europe (the US being the only non-EU country), India was in 12th position, underlining the UK's continuing strong links with the country.

Through our partnership with YES Bank, Santander understands the profound opportunities open to UK SMEs in the Indian market. We have set up dedicated trading desks and offer a unique range of products and services, such as trade missions, our Trade Portal and Trade Club, all of which could help businesses capitalise on trading opportunities in India.

Take the country's food and drink sector. Santander and YES Bank jointly published a sector report earlier in 2018 which showed just how attractive India is in terms of food and drink exports. India's £305 billion food and food services market is expected to grow to £500 billion by 2020, making it one of the world's fastest-growing and dynamic food sector markets. This can be attributed to the demands of feeding a large population, changing demographics, heightened awareness on food safety and the growth of internal and

foreign investment. Encouraging tax and investment reforms make India the ideal platform for UK companies seeking to widen their footprint in an increasingly globalising economy.

India's location and its vast base of raw materials presents a plethora of trade opportunities for UK firms, ranging from novel consumer products to establishing cold chain and logistics infrastructure. The country has long struggled to modernise its supply chain, a challenged recognised by the Indian Government which has accorded the food processing industry priority status with a three-pronged approach to boost production.

In our Trade Barometer, Ian Wright, CEO of the UK's Food & Drink Federation, said: "In the long-term, Asia – particularly China, India, South Korea and Japan – and Africa are the key markets for opportunities [for UK food and drink manufacturers]." He also noted that rather than export, larger UK businesses tend to manufacture products in their target markets - something the Indian Government is keen to support as well as the UK Government, which has included India as a priority market in its latest food and drink export action plan, targeting £349 million of additional sales over the next five years. Major opportunities exist in, tea, biscuits, condiments and organic sectors.

THE DYNAMICS SHAPING INDIA AND ITS ECONOMIC MOMENTUM MAKE IT EXTREMELY ATTRACTIVE TO UK EXPORTERS.

Indeed, it is clear that the UK and Indian Governments are keen to form stronger trade links, and that the positive trade dialogue and momentum between the two countries is probably at its highest point in history.

An example of this is the India-UK FutureTech Festival, which took place in India in December 2018. Part of the wider FutureTech programme, the Festival was announced by Prime Ministers Theresa May and Narendra Modi in April 2018 as a key deliverable in the ambitious India-UK Tech Partnership.

It will focus on India-UK tech partnerships as well as key themes such as AI (Artificial Intelligence)/data and cybersecurity, among others, and is set to attracting the best and brightest leaders, speakers, tech companies and entrepreneurs, with members of Santander's present. The event takes place two years after Prime Ministers May and Modi inaugurated the 2016 India-UK TECH Summit in Delhi.

It is these sorts of high-calibre partnerships that are driving new and exciting trading opportunities for UK businesses (as well as Indian firms looking to enter the UK). Santander, which has continued to invest in and grow our UK-India capabilities, believes it is exceptionally well placed to help businesses understand and capitalise on these opportunities. Gautam Sehgal joined as the bank's India Director in March this year to further reinforce our efforts towards supporting our clients in the India-UK corridor and both Gautam and I participated in the India UK FutureTech Festival.

Mark Ling is Head of Trade & Working Capital, Santander UK.

Some young leaders in the Global Indian sphere

A new generation of Indian-origin achievers are constantly adding to the ranks of the Diaspora that Indian Prime Minister Narendra Modi views as a critical aspect of the country's global outreach. Here are some names that fall within the under-35 age range of Global Indians.

Rishabh Jain

Country: US | Sector: Healthcare

Rishab Jain, a 13-year-old from Stoller Middle School in Portland, won the Discovery Education 3M Young Scientist Challenge with an algorithm that uses machine learning to help doctors zero in on the pancreas during cancer treatment. He says his software could work with hospitals' existing radiotherapy equipment or be incorporated directly into new machines.

Jain plans to use his winnings to advance his machine learning project and fund the non-profit he created, Samyak Science Society, which is meant to promote STEM learning and raise pancreatic cancer awareness. He also plans to put some of the money toward a college fund.

Credit: Hedghog Reader

Kavya Kopparapu

Country: US | Sector: Healthcare

Kavya Kopparapu is a student at Harvard University who has developed a deep-learning computer system that studies and scans the slides of tissues from patients with brain cancer. It scans for differences that can be found in the texture, cellular alignment, density etc.

She is currently collaborating with the University of Montreal as a future signatory of the Montreal Declaration for the Ethical Use of Artificial Intelligence. She is the Founder/CEO of GirlsComputingLeague, a non-profit group she established to help close the gender gap in computer science.

Credit: www.kavyakopparapu.com

Amika George

Country: UK | Sector: Social work

Amika George became a recipient of the Goalkeepers Global Goals Award last year for her 2017 campaign that demanded free sanitary products for poor girls in schools. Popularly referred to as the Oscars for social progress, the 18-year-old won a Campaign Award for her initiative which started off as an online petition and culminated into a protest on Downing Street in December 2017.

Following this youth-led campaign, the UK government granted 1.5 million pounds to end "period poverty" — the factor that has prevented many girls from low-income households from attending school while on their period. Nearly 2,000 protesters, including Amika's own grandfather, took to Downing Street to support the #FreePeriods initiative. George has also spoken about how menstruation is a taboo subject in every country, including India.

Credit: Twitter

Neha Narkhede

Country: US | Sector: Tech

Mumbai-born Neha Narkhede is the Chief Technology Officer and Co-Founder of streaming platform Confluent. As a LinkedIn employee, she came across a big issue: business leaders were unable to make quick decisions due to lack of real-time user data. In 2010, her efforts to fix it led to the Apache Kafka, an open-source software platform to help companies react to problems in milliseconds, which she co-founded with her colleagues Jay Kreps and Jun Rao.

When the trio saw how much their software was being relied on by Fortune 500 companies, they built their start-up Confluent in 2015, a streaming platform that helps businesses adopt Kafka. The company has raised over $80 million in funding from investors like Sequoia Capital and Benchmark.

Credit: LinkedIn

Garima Arora

Country: Thailand | Sector: Hospitality

Garima Arora is a Michelin Star winner for her Bangkok restaurant GAA. Garima Arora is a Le Cordon Bleu alumnus, who studied at Jai Hind College in Mumbai and worked as a journalist before she decided to chase her dreams of becoming a chef. She set up her restaurant in 2017 and has worked with the likes of Gordon Ramsay and Rene Redzepi. Her love for food started when she was quite young, a by-product of growing up in a typical Punjabi food-loving household.

She graduated from Le Cordon Bleu in Paris in 2010. In 2013, Arora applied for an internship at Noma in Copenhagen. The next fillip came when she moved to Bangkok in 2016 as sous chef to well-known chef, Gaggan Anand, at his eponymous restaurant.

Credit: www.vogue.in

Leah Chowdhry

Country: UK | Social Work

Leah Chowdhry completed the gruelling 30-mile English Channel swim in 13 degrees water in just under 15 hours in July 2018, becoming one of the first young British Asian women to achieve the feat. The 25-year-old's aim was to raise funds for a project run by the British Asian Trust, and she managed to raise over £50,000 with help from family and friends.

Leah, along with the British Asian Trust, is working in the red light districts of Mumbai to protect children vulnerable to commercial sexual exploitation and trafficking. The organisation runs three night-care centres for such children who are at risk, as well as shelter homes and a residential training centre for the rescued girls.

Credit: www.financialexpress.com

Vivek Kopparthi

Country: US | Sector: Healthcare

Vivek Kopparthi is the Co-founder and CEO of NeoLight who has developed a phototherapy device that is portable for use at home for jaundice. The firm is also working on a second tool to treat infant hypothermia. Prior to launching NeoLight, he held leadership roles in organisations with 100+ employees, advised tech start-ups, and has consulted with major corporations. Vivek holds a Bachelor's degree in electrical engineering and a Master's in management. He was part of the Forbes '30 Under 30: Healthcare 2017'.

Credit: LinkedIn

Shaun Patel

Country: US | Sector: Healthcare

Shaun Patel is the orthopaedic surgery chief resident at Harvard Medical School and has dozens of scientific publications in surgery journals. His company, OrthoNinja, aims to streamline communication between doctors by creating a mobile app that allows doctors to consult with one another.

Credit: mbb.harvard.edu

Akshay Goyal

Country: USA | Sector: Hospitality

Akshay Goyal is Vice-President at Starwood Capital, the youngest in the company's history when he was promoted at age 26. Goyal focuses on hotel acquisitions and has helped drive over $7 billion in deals. He recently helped sell a portfolio of 240 US hotels to China Life for $2 billion.

Credit: www.forbes.com

Prarthna Desai

Country: Rwanda | Sector: Healthcare

Prarthna Desai says she is passionate about healthcare in emerging markets. She currently manages the public health sector integration of Zipline's drone delivery system in Rwanda. Rwanda is Zipline's first country of operation and will be home to the world's first commercial drone delivery system. As part of her role, Prarthna oversees the healthcare components of Zipline's launch, growth, and expansion to multiple products and geographies. She also supports the development of Zipline's broader growth plan in Africa.

Prior to Zipline, Prarthna was on the New Market Opportunities Team at the Clinton Health Access Initiative (CHAI). She vetted 30+ opportunities to expand CHAI's reach into new disease areas and technologies beyond the organisation's existing major programs.

Credit: www.forbes.com

Ajay Yadav

Country: US | Sector: Tech/Hospitality

Ajay Yadav is the Founder and CEO of Roomi, set up to make positive co-living experiences easier to find. He has guided Roomi through its debut in New York and expansion to San Francisco, Los Angeles, San Diego, and Philadelphia, with other markets and services launching in 2016.

Ajay also serves as a Lean Start-up Machine mentor, advising early-stage start-ups during crucial growth points. Before Roomi, Ajay studied computer science at NYIT and helped to launch two other start-ups.

Credit: LinkedIn

Anarghya Vardhana

Country: US | Sector: VC/Tech

Anarghya Vardhana is Partner at Maveron LLC who describes himself as an Oregonian, a proud Stanford grad, a former Googler, an eternal entrepreneur, an investor, a marathoner, and a determined instigator of change. Anarghya is driven by the potential of technology for the developing world who says he may live in San Francisco but his heart is in India. "And, my mind flits between tech and social issues relating to women and marginalised communities," she says.

Credit: LinkedIn

Varun Sivaram

Country: US | Sector: Energy

Varun Sivaram is a Philip D. Reed Fellow for science and technology at the Council on Foreign Relations (CFR), a nonpartisan foreign-policy think tank and membership organisation. He is an expert on clean energy technology, climate change, and sustainable urbanisation. Sivaram was previously the senior advisor for energy and water policy to Los Angeles Mayor Antonio R. Villaraigosa, where he oversaw the city's Department of Water and Power, and a consultant for McKinsey & Co.

Varun is currently a strategic advisor to the office of New York Governor Andrew Cuomo on energy policy, an adjunct professor at the Georgetown University School of Foreign Service, a fellow at Columbia University's Center for Global Energy Policy, and an advisory board member for the Stanford University Woods Institute for the Environment and Precourt Institute for Energy. He is the author of 'Taming the Sun: Innovations to Harness Solar Energy and Power the Planet'.

Credit: LinkedIn

Amiteash Paul

Country: UAE | Sector: Academics

Amiteash Paul is a Dubai-based teenager has won the NRI of the Year Award in 2018. The 15-year-old student of the Indian High School, Dubai, won the top prize in the Academics category for his efforts towards educating the community about recycling and segregation of waste and working towards building a zero-waste sustainable society by 2030.

He has educated and helped establish colour-coded waste segregation recycling bins in labour housing clusters, factories and offices in Dubai, Sharjah and Ajman and is a Brand Ambassador of Bond Interiors LLC.

Credit: Pinterest

Ankur Nagpal

Country: US | Sector: Ed-tech

Ankur Nagpal, a graduate of U.C. Berkeley, founded Teachable with the goal of democratising education. His online platform enables people to sell individual online courses in subjects as varied as programming to cake decorating. After five years they have raised over $13 million in funding and some 25,000 digital instructors have reportedly earned over $200 million on his platform. The platform claims that unlike online education marketplaces catering to both students and teachers, it is "laser focused" on empowering its teachers to make a living teaching online.

Credit: LinkedIn

Aneesh Chaganty

Country: US | Sector: Entertainment

Aneesh Chaganty's feature film directorial debut was a 2018 thriller 'Searching', which won three awards at the 2018 Sundance Film Festival, including the Alfred P. Sloan Feature Film Prize. He has signed on to co-write and direct 'Run' at Lionsgate next. He was profiled in 'Forbes 30 Under 30: Hollywood & Entertainment 2019'.

Credit: Twitter

Ankit Kumar

Country: US | Sector: Tech

Ankit Kumar is the Co-Founder of Ubiquity6, a software company building a platform for persistent and massively shared augmented reality experiences. The largest public multiplayer augmented reality experience was put on display at the SFMOMA using Ubiquity6 immersive technology, which was co-founded by Ankit and funded by Google's Gradient Ventures and Kleiner Perkins. Previously, Kumar Co-Founded Pilot AI, a computer vision platform that offers perception solutions.

Credit: Twitter

Hasan Minhaj

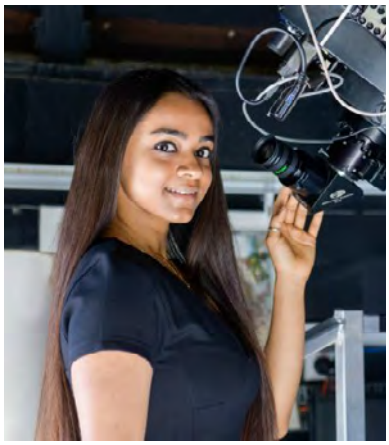
Country: US | Sector: Entertainment

Hasan Minhaj is an American comedian, writer, political commentator, actor, and television host. After working as a stand-up comic and appearing in minor television roles, he came to prominence for his work on 'The Daily Show' as its senior correspondent from 2014 to 2018.

Credit: Twitter

Devika Kamath

Country: Australia | Sector: Science



Devika Kamath features on the list of 60 Superstars of STEM list announced recently by the Australian government. Born in Coimbatore, 32-year-old Devika is researching where stars get the cosmos matter they are made of. "Our universe is mysterious. The elements in stars are made of same elements that make up our bodies and everything around us. My core research is tied to understanding the uncertain physics of stars and demystifying their alchemy," she says.

She believes that her cultural diverseness and unique research topic helped her break too stereotypes to become a woman scientist.

Credit: scienceandtechnologyaustralia.org.au

Anjali Sud

Country: US | Sector: Tech

Anjali Sud was recently named among 'Fortune' magazine's 40 of the most influential and inspiring young people in business under the age of 40 as the CEO of Vimeo. Rejected by dozens of investment banks which she applied to while studying at the Wharton School of Anjali Sud was recently named among 'Fortune' magazine's 40 of the most influential and inspiring young people in business under the age of 40 as the CEO of Vimeo. Rejected by dozens of investment banks which she applied to while studying at the Wharton School of Business, University of Pennsylvania, Anjali took up the role of an analyst at a small firm called Sagent Advisors.

After spending a few years there, she earned a degree from the Harvard Business School and held a few positions at Amazon before joining Vimeo. She made the case for Vimeo to focus on content creators and was given the opportunity to run the company.

Credit: LinkedIn

Nandakumar Rajalakshmi

Country: US | Sector: Tech

Nandakumar Rajalakshmi recently bagged the 2018 Marconi Society Young Scholar Award. Taking inspiration from bats, which use sonar to navigate in the dark by sending out acoustic signals and using the reflections to identify objects, Nandakumar has created technology that turns an ordinary smartphone into an active sonar system capable of detecting physiological activities, such as movement and respiration, without requiring physical contact with the device.

The system works by transmitting inaudible sound signals from the phone's speaker and tracking their reflections off the human body. The reflections are then analysed using a combination of algorithms and signal processing techniques. The Computer Science and Engineering graduate from the College of Engineering in Guindy, South India worked for Microsoft Research India before beginning graduate work at the University of Washington in 2013.

Source: staff.washington.edu

Shinjini Kundu

Country: US | Sector: Medicine

Shinjini Kundu is a resident physician and medical researcher at the University of Pittsburgh. During her PhD programme in biomedical engineering at Carnegie-Mellon University, Shinjini – now a medical doctor, developed a new technology to analyse medical images and detect disease using artificial intelligence. She envisions it helping diagnose diseases that doctors have trouble spotting and predicting problems long before symptoms arise.

Credit: Twitter

Shilpa Rao

Country: US | Sector: Tech

Shilpa Rao is Senior Manager, Content Acquisition at Twitch. She is expanding Twitch's content into other interest areas for gamers, like anime, cosplay and vlogging, partnering with brands like SNL, CollegeHumor and the NFL. Prior to Twitch, Rao helped build one of India's largest YouTube-native health networks, writing and hosting a women's health series that garnered over 30 million views.

Credit: LinkedIn

Uppma Virdi

Country: Australia | Sector: Retail

Uppma Virdi won Business Woman of the Year at the 2016 Indian Australian Business and Community Awards (IABCA) as a result of her business idea based around the Indian culture of people coming together over tea. Chai Walli has a dedicated online store for retail purchase worldwide and also has a wholesale division to supply the special Indian tea blend to gourmet supermarkets, health food stores, cafes, restaurants, yoga centres etc. Uppma also runs "The Art of Chai" workshops to teach people how to brew the perfect chai.

Credit: www.forbes.com

Rajeeb Dey

Country: UK | Sector: Tech

Rajeeb Dey is the Founder & CEO of Learnerbly, a company that specialises in managing professional development needs of employees, connecting them to learning and development opportunities. Prior to Learnerbly, Rajeeb founded Enternships.com, a portal that connects students and graduates to work placements in over 7,000 start-ups. Rajeeb is also the Co-Founder of StartUp Britain, a national entrepreneurship campaign supported by the UK government which was launched by then British Prime Minister David Cameron in March 2011.

Credit: LinkedIn

We need to embrace the opportunities provided by being in the Commonwealth family

by Tariq Ahmad

The Commonwealth is united not only by a common history, but by a common future, in which we work together for the benefit of all our citizens, writes the UK Minister of State for the UN and Commonwealth.

The India UK Relationship

India and Britain share a unique relationship. Prime Minister Narendra Modi has described the connection between our two great nations as a 'Living Bridge', made up of a shared history, our people, culture, and ideas. I am the next generation of this bridge, whose parents were born in India; my father coming to the UK over 60 years ago with only £5 to his name and from there building a life for himself, raising a family and contributing to our society and country.

As Britain prepares to leave the EU, we have a unique opportunity to reaffirm this already thriving relationship. Britain's diplomatic network in India is our largest of any country in the world, reflecting India's importance to Britain. Next year's Cricket World Cup in the UK will be followed by many Indians, who I am sure are hoping for an epic final between England and India, the two top nations in current ODI rankings.

Britain values India's role on the international stage as a force for good. As the world's largest democracy, Indian opinions and actions reverberate around the globe. In the last few years, we have seen an enormous increase in our scientific collaboration. In eight short years, our research partnership has increased by 250 per cent from £1 million in 2010 to £250 million last year. By 2021 it will be £400 million – India and Britain have a bright future.

India and the Commonwealth

India has a significant role to play in the Commonwealth, making up over half of its population of 2.4 billion people. I was delighted that in April last year Prime Minister Modi attended the Commonwealth Heads of Government Meeting in London – a clear sign that at the highest level of government India wants to be engaged in helping to address so many of our shared global challenges. The week brought together 46 Heads of Government and 49 Foreign Ministers with around 5,000 delegates from across business and civil society. The summit demonstrated that the Commonwealth continues to be united not only by a common history, but by a common future: a future in which we work together for the benefit of all our citizens.

BRITAIN VALUES INDIA'S ROLE ON THE INTERNATIONAL STAGE AS A FORCE FOR GOOD.

I make no bones about the need for the Commonwealth to step up its efforts to deliver a more prosperous future for its citizens. The combined gross domestic product of Commonwealth countries was estimated to be $10.4 trillion in 2017 and is predicted to reach $13 trillion by 2020. Our Leaders ambitiously want to boost intra-Commonwealth trade to beyond $2 trillion by 2030. To meet this goal we need to embrace the opportunities provided by being in the Commonwealth family. As Commonwealth citizens we already benefit from a "Commonwealth Advantage" that on average makes it 19% cheaper to do business with other member states.

The Commonwealth Connectivity Agenda for Trade and Investment will play a key part in meeting our ambition of boosting intra-Commonwealth trade. We are now developing ways to promote physical, digital, regulatory, business-to-business, and supply side connectivity between Commonwealth countries. But governments alone can't deliver prosperity. I encourage all businesses leaders – whether they operate micro, small, medium sized enterprises or multinational companies – to contribute to this work and help the Commonwealth meet this ambitious target.

UK and India – Trade and Investment

Prime Minister Modi has described India and the UK as an "unbeatable combination" whilst our Prime Minister, Theresa May has stressed the unbreakable bond of friendship and partnership between our two

nations. No one could put it better. Bilateral trade between our two countries has grown rapidly over the last 10 years, reaching £18 billion in 2017. Our commercial links span a variety of sectors, from life sciences and medical technology, to food and drink, energy, defence and culture. We also have strong links in the services sector, whether it be in IT, professional services or financial services.

I am proud that the UK has been the largest G20 and EU investor in India over the last 10 years. There are over 270British companies operating in India, employing nearly 800,000 people. The UK Confederation of Business Industry has estimated that UK companies are creating one in every 20 jobs in India's organised private sector. In the other direction, there are approximately 800 Indian companies operating in the UK, accounting for around 110,000 jobs and recording combined revenues of £47.5 billion. These include many which are now considered household names, such as Tata and the Hinduja Corporation.

The UK and India have a long and shared history. There have been ups and downs, but by working together we can meet and overcome our joint challenges and take advantage of the opportunities for the benefit of both our countries, strengthening the Living Bridge, the Commonwealth, and indeed the rest of the world.

Lord Ahmad of Wimbledon is the UK's Minister of State for the UN and Commonwealth.

2019: The year for Indian start-ups

by Param Shah

With India busy with elections and the UK gearing up for Brexit, 2019 looks to be an eventful year for both Indian and UK start-ups.

2019 is going to be an eventful year both for India & UK. While India will get busy with elections and the UK gears up for Brexit and beyond. Amidst these events it's not just going to be business as usual but it's going to be a more eventful year as compared to 2018.

Sectors to look out for…
While the existing start-ups expand their base 2019 the markets will also see a lot of new entrants joining the market across sectors. Fintech still looks to lead the way amongst other sectors as the financial sector penetrates more into Bharat from India. The sector will also see new offerings like wealth management, micro investments, insurance, etc which will cater to the Indian Consumer's needs. Fintech will rule in terms of new start-ups and investment however agritech, edtech, social commerce and healthcare will follow.

Healthcare will also continue to grow at a steady pace. The sector will be dominated with drug discovery, disease management, connected care, on demand medical advice, diagnostics on the go, volume-based care, etc. The other product offerings in the fitness and health food & nutrition space will also continue to expand and innovate, making it more user friendly and extremely personal.

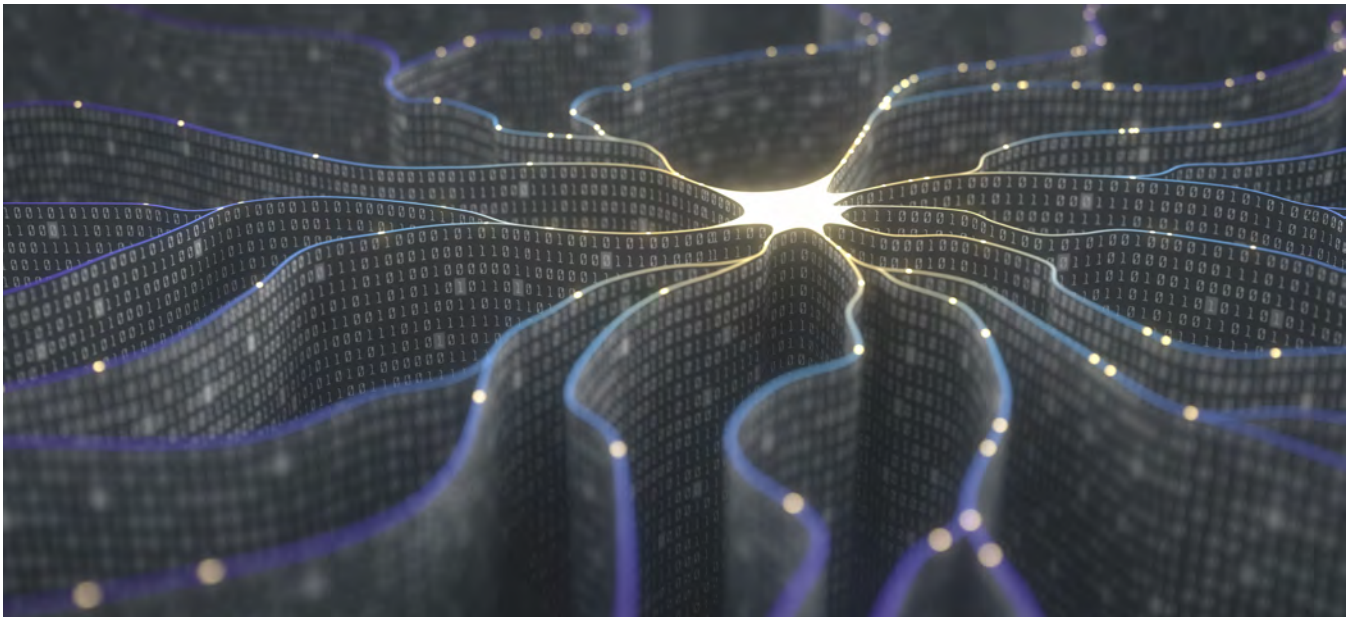
Recent reports suggest that the organised used car market has seen a 50 per cent growth in the last year. Top players in the sector have confirmed the growth in the market and are hopeful of better results in the current year.

Artificial Intelligence and Machine Learning are powering the next phase of digital transformation of India, hence becoming indispensable for product and service offerings. In 2019, AI meets IoT at the edge computing layer and the models trained in the public cloud will be deployed. Industrial IoT is the top use case for artificial intelligence that can perform outlier detection, root cause analysis and predictive maintenance of the equipment. There would also be a huge requirement for skill development for AI skills, hence we could see a lot of investment in that domain of skill development.

Deep Tech Start-ups – businesses driven by AI, ML and IoT will see record funding as it did in 2018.

E-commerce Policy
The Government of India's soon to be announced draft E-commerce policy makes a strong case for championing 'Indian' online enterprise and may have major implications for foreign-owned e-commerce majors operating in India. It is aimed to create a level playing field for foreign and domestic players in the market. Amongst other major recommendations, the policy proposes to give founders with minority stakes more control by giving them differential voting rights. The draft policy will also propose a single legislation to address all aspects of digital economy and a single regulator for issues related to FDI implementation and consumer protection. While the policy when implemented will regulate the e-commerce market in India, it will be interesting to see who the traders react to the regulation.

Funding Scenario
Fundraising activity in start-ups again picked up pace in the year 2018 in mid and late stage deals, after slowing down in 2016-2017 from the frantic deal-making in 2015 and early 2016. Like 2018 India will witness mega funding rounds for high-growth homegrown start-ups. Start-ups are expected to raise 25-30 per cent more venture debt in 2019 as compared to



last year. Venture debt saw a surge in 2018 and would continue to prevail as an alternate model of funding. VCs will continue to eye late-stage start-ups. Like 2018 family offices as an alternative channel for liquidity for growth stage start-ups. The global expansion plans of Indian start-up will give opportunities to global VCs to invest through offshore deals.
While the funding scenarios show a positive trend, start-up will also be closely monitoring Government's stance on policy matters like the Angel tax, which have kept the focus of start-up entrepreneurs away from their core competency of building innovative products or services to responding to tax notices and filing appeals.

Joining the Unicorn Club

India witnessed eight start-ups join the Unicorn Club in 2018. This number is likely to go in double digits in 2019. This is well on track to achieve the target set by NITI Aayog to have more than 25 Unicorns in India by 2022. A recent report by FE online closely analysed existing start-ups in India that have seen their valuation jumping anywhere from 2x to 7x in their last funding rounds. Some might turn unicorns in 2019 on the back of high valuations. While some of these start-ups have been in existence for over a decade some of them are knocking on the club doors in about 2 – 4 years of the inception. Here are some of the start-ups to keep an eye on 2019.

INDIA IS A HOTBED FOR SOME OF THE MOST INNOVATIVE START-UPS THE WORLD HAS EVER SEEN, OFFERING TRULY INSPIRING SOLUTIONS THAT ARE REDEFINING HOW WE SPEND OUR DAY TO DAY LIVES.

Bookmyshow: India's online ticketing platform which was relaunched in 2007 after initial launch in 1999 is currently valued at around $800 million. The platform is grossing a monthly ticket sale of over 13 million which is about 3 times its closest competitor.

Practo: This healthtech start-up with presence in 5 more countries beyond India is currently valued at around $600 million. Launched in 2008 as a practice management platform for doctors, Practo now also helps find doctors online, book appointments and deliver medicines to customers.

Lenskart: This online eyewear store was launched in 2010 and it revolutionised the way India bought its eyewear. Currently valued at around $500 million and total revenues growing at over 70 per cent in previous fiscal, Lenskart looks promising in 2019.

Droom: This 2014 entrant in the online automobile market space has taken the fast lane to be valued around $550 million and is preparing to list on the Nasdaq exchange by 2020.

UrbanClap: Founded in 2014, UrbanClap is an on-demand home service. It raised $50 million recently at a valuation of around $480 million. Though it competes in a crowded space with companies like Housejoy, Olx competing furiously, UrbanClap is becoming a consumer favourite due to its fast and reliable service.

2019 certainly promises to be a more fruitful year as compared to 2018, though it remains to see when would Indian start-ups witness highs of 2015-16.

Dr Param Shah is Director – UK, Federation of Indian Chambers of Commerce & Industry (FICCI).

**Disclaimer: The views expressed herein constitute the sole prerogative of the author. They neither imply nor suggest the orientation, views, current thinking or position of FICCI. FICCI is not responsible for the accuracy of any of the information supplied by the author.*

Where Made in Mexico meets Make in India

Rodrigo Blanco Zamora is the Director of ProMéxico India, Mexico's investment promotion agency. In this interview, he lays out the attractiveness of the South American region to Indian investments and how the India-Mexico strategic partnership is a win-win for both emerging economies.

What are some of the defining features of the "strategic partnership" between India and Mexico?

Definitely India and Mexico share a multitude of social factors, such as food habits, dress styles and artistic forms, as a result of our early encounters that date back to the colonial period of the 16th century through the Manila Galleon Pacific trade route. Those early contacts have carried us to years of friendship and cooperation between the two nations that have grown steadily. Although, we have barely scratched the surface of the relationship between our two countries, we must work together in order to unlock our combined potential.

As emerging economies, both countries have unique strategic capabilities that will allow us to take advantage of the current economic climate.

THE MEXICAN ECONOMY HAS OPENED ITSELF UP TO FOREIGN INVESTMENTS IN THE FIELDS OF TELECOMMUNICATIONS, PUBLIC UTILITIES AND PETROLEUM.

As the "Made in Mexico" and "Make in India" initiatives show, our countries have faced similar situations and challenges, and thus have a lot of experiences that we can share with each other.

What are the kind of Indian investments being attracted by the country?

Foreign investment is one of the main steps to enter the global market and, in recent times, India has taken the necessary steps to make its presence felt worldwide. In Mexico, the accumulated investment of India is estimated at $3 billion, through the 70 Indian companies (approx.) established in Mexican territory, which has been followed up by ProMéxico from the start of their investment projects, until they settle in our country, and through their

development afterwards.

The sectors with the best performance for Indian investments in Mexico are IT, pharmaceuticals and automotive. Most of the Indian companies find their home in the West North-Central region of the country, mainly of the automotive industry due to the incentives that the region offers and strategic location for the sector; 65 per cent of total investments during 2017 corresponded to this sector. Up today, Mexico is the second destination of Indian FDI in Latin America.

Are there areas you would highlight where Indian companies can focus their future expansion plans?

Growth and expansion are key goals for most business owners and entrepreneurs, and certainly, some of the most common areas to look forward are expand into new territories and target new customer markets. In this sense, Mexico is a strategic ally in the expansion plans of the world's leading multinationals, because offers many competitive advantages, not least macroeconomic stability, a growing domestic market, legal certainty, a strategic geographic location, a skilled workforce and experience in medium- and high-technology manufacturing, which, together, constitute a unique, highly competitive platform for international trade and investment, confirming that Mexico is synonymous with opportunity.

What are some of the policy attractions of investing in your region?

The Mexican economy has opened itself up to foreign investments in the fields of telecommunications, public utilities and petroleum, in which government owned companies started reducing their predominant position. The country is also planning a major expansion of infrastructure, including airport infrastructure, which could also attract foreign investors.

The current evolution of political and financial reforms initiated in 2014 by the current government and the network of free trade agreements granting preferential access to 46 international markets, soon to increase considering the implementation of the CPTPP [Comprehensive and Progressive Agreement for Trans-Pacific Partnership] by the end of this year, has greatly improved the economic situation in Mexico and has made of the country one of the emerging economies most open to foreign direct investment.

AS EMERGING ECONOMIES, BOTH COUNTRIES HAVE UNIQUE STRATEGIC CAPABILITIES THAT WILL ALLOW US TO TAKE OF THE CURRENT ECONOMIC CLIMATE.

Manufacturing, which is supported by exports, attracts almost 45 per cent of Mexico's total FDI. These exports are aided by several programs of the Ministry of Economy, free trade agreements (USMCA, for instance the main target for investors) and the geographic positioning of Mexico (its proximity to North American countries and Latin America). As well, since 2014, the Mexican government has also been planning to create new industrial centres, which could encourage FDI. Additionally, since 2014, the Mexican government has also been planning to create new industrial centres (located in the southern states of Guerrero, Oaxaca and Chiapas), which could encourage FDI.

All these efforts from the Mexican government conveys into the positive recognition that Mexico has received for the ease of doing business though different global rankings in recent years and is perceived in the current Mexican economy. Mexico is the eighth most attractive destinations for FDI in 2017, according to a PwC CEO Survey.

How has the energy partnership of the two countries developed over recent years?

The trade of oil and gas between India and Mexico is already a strong trade relation, India is the third-largest consumer of Mexico's crude oil.

In 2015, Dharmendra Pradhan, the Indian Minister for Petroleum and Natural Gas, made an official visit to Mexico, and in this year, the Deputy Secretary of Energy for Hydrocarbons of Mexico, Aldo Flores-Quiroga, visited India twice. Also recently, Mexico supported India's bid to become a member of the Nuclear Suppliers Group in a more emphatic gesture of support and collaboration to the Indian energy cause, and, both countries have an MoU on cooperation in the field of New and Renewable Energy, signed in 2008.

I believe that these actions taken by the two countries are demonstrative of the determination to improve trade in this sector.

Is the goal set for a reciprocal trade and investment relationship on track?

Steps are been given, such as the signature of a memorandum of understanding on cooperation in SMEs (2006), which could have been an indicative clue for the path of the two countries who saw a high point in diplomatic relations in 2007 with the agreement of the Privileged Partnership, a Double Taxation Avoidance Agreement and, in the same year as well, the Agreement for the Promotion and Reciprocal Protection of Investment "APPRI", an instrument that contributes to increase the diversification of investment flows between both countries.

Since that year, there has been a substantial increase in bilateral trade between the two countries, with a current figure of $8.5 billion in bilateral trade that is expected to reach $10 billion by the end of this year.
We are willing to keep nourishing our bilateral trade, and for that reason

both governments have recently started the negotiation for grant phytosanitary protocols for agricultural products that will give mutual market access.

In the last five years, ProMéxico has provided assistance globally for 820 FDI projects valued at more than $70 billion, and provided assistance to over 3,200 export projects to different countries valued at $13.35 billion. Also, in the last decade we have supported the internationalisation of over 200 Mexican companies in many countries, with an estimated economic impact of $7 billion.

It is important to highlight that India has been in an integral part of this positive results; has become part of Mexico's ten largest trading partners, and that our country is the main commercial partner to India from Latin America and the second most important in all the American continent, ahead of Canada and Brazil, and we look forward to keep working to depth in our relationship to reach our maximum potential.

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Indian firms steady on global expansion

Indian start-ups continue steady growth beyond borders while conglomerates eye acquisitions.

Reliance buys stake in UK start-up

Energy-to-telecom conglomerate Reliance Industries Limited (RIL) has purchased an equity stake of 5.56 per cent in UK-based blockchain start-up Vakt Holdings Ltd for $5 million (Rs 35 crore).

In a stock exchange filing, the Mukesh Ambani-led conglomerate said the investment was aimed at accelerating its digital journey through active participation in an emerging and evolving blockchain-enabled technology solution for energy markets.

Reliance Industries derives the bulk of its revenue from its energy business.

Vakt Holdings is a consortium of leading global energy majors, commodity traders and banks whose vision is to digitise the global commodities trading industry with the help of blockchain technology.

The blockchain platform, which is being developed in sync with companies such as BP, Shell and Statoil, trading houses Koch Supply & Trading and Mercuria, and banks ABN Amro, ING and Societe Generale, will be used for oil and gas trading, according to energy portal S&P Platts.

The platform, which is expected to be up and running from early next year, aims to reduce administrative and operational risks and costs of energy trading.

Synup expands operations down under

Synup, a SaaS solution for location data management, announced their expansion in Australia and New Zealand. The product enables businesses to manage public facts about them across search, social, voice, and connected-car ecosystems. It also promotes the discovery of business information wherever consumers are looking for it.

Dibish Divakaran, Sr. Sales Director – APAC, Synup, said: "We are really excited to launch Synup in Australia and New Zealand. The key cities that we are targeting are Sydney, Melbourne, Brisbane, and Perth. Our primary goal is to help agency and in-house marketers manage online business profiles and reviews with ease and efficiency. We hope to change the way location data is managed by showing them a more scalable alternative."

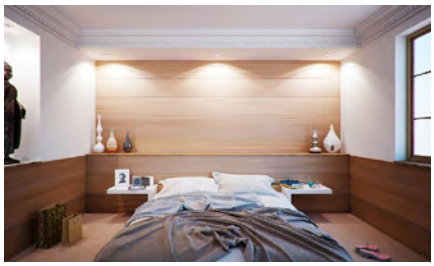
This move comes after the company has gained a steady foothold in the US and Canada, currently powering more than 160,000 businesses. Businesses and Digital Marketing agencies with multiple locations are going to be the primary market for the product. The product provides a single interface for businesses to streamline their marketing efforts by enabling multi-channel optimisation of location and review data. Synup's local marketing suite for agencies comes bundled with a white-labeled lead generation tool and an analytics engine as well.

OYO plans Saudi debut

The unicorn hospitality start-up OYO will soon enter Saudi Arabia, Abu Dhabi and Al Ain, as part of its ambitious expansion plans in GCC.

The South Asian hospitality chain has also set a target of reaching 12,000 rooms by 2020 in the Middle East market, almost a 10-fold jump from its current level of 1300 rooms on its platform in the UAE market.

Manu Midha, Regional Head, Middle East, OYO Hotels & Homes, was quoted as saying: "Having covered four major cities in UAE since we entered the Dubai market in April last year, we will soon be expanding our operations to Saudi Arabia in a big way."



Besides its traditional offerings such as hotel rooms, homestays and townhouses, Midha said OYO plans to launch a new category in Saudi Arabia to tap the large inflow of religious tourists into the country.

OYO currently operates in four UAE cities – Dubai, Sharjah, Fujairah and Ras Al Khaimah, notching up 1300 hotel rooms in a short span of 8 months. It also plans to ramp up its total employee strength in its UAE operation to 200 by the end of this year, from 50 at present. It also plans to create a total of 4,000 direct and indirect jobs in the GCC market by 2019 end.

Cross-fertilising British and Indian talent can develop a new tradition of telling Indian stories

by James Erskine

A renowned British filmmaker believes that Indian stories, lensed through the UK, can create a global impact.

The disruptors have arrived. The world of the media is being turned on its head. Traditional television broadcasters are under threat, as is the theatrical cinema business.

There has been much said and written about the arrival of the global streaming services Netflix and Amazon into India, with their pockets stuffed full of dollars and hushed talk of unprecedented pro-gramme budgets. The promise of a new golden age further heralded with the imminent launches of Apple's global streaming service and that of the newly-merged Fox/Disney, not to mention the movement into original video content of Facebook, YouTube Red and other players.

For once this isn't all hype. The notion of content and boundaries is revolutionised on a near daily basis now smartphones have become personal televisions and data is sold at bargain basement prices. Gone are the days, or so we are told, of 500 TV channels all with nothing good on them, to-day's viewer is no longer bound by the Stalinist schedules of the past, we are free to choose what we want to watch, when we want to watch it no longer can audiences be sold any old rubbish pumped out by the cable networks to sell ad-time - "premium" - is where's it at - and it's what the streamers believe they are there to deliver.

Of course the definition of "any old rubbish" is personal, the more discerning viewer might consider reality shows rubbish - but a lot more people enjoy watching them! The same might be said of fashion TV or a whole host of other sub-genres. These formats won't disappear, but

there will be less of the bad ones and more serious investment into the good ones. After all, the amount of content and content providers may increase exponentially, but the amount of hours available to view content do not, unless of course we believe the wild predictions of how artificial intelligence will change our lives, a statement I'm highly dubious of given that, in spite of technological advancements, we seem to now work more hours, not less (presumably to pay for our subscriptions to Amazon and Netflix).

From the consumer point of view, what this suggests is they are going to get what they want, only better, because there is less waste. And for producers the promise of vast budgets. Well here's the catch.

Netflix and Amazon have both set out their stalls in India with local commissioning structures. but the problem is that these follow local pricing structures. While a top documentary commission can be in excess of $1 million an hour and a top drama commission $5 million or more per hour from these providers when commissioned via LA or London, the so-called "localised" budgets are closer to $250,000 per hour. These are punchy budgets for the Indian domestic market, but even accounting for production costs being lower in India, what this doesn't suggest is that the shows being created are intended for export outside of India, or at least outside the diaspora. These shows are being imagined by the streamers as local content rather than the new "House of Cards" or "Narcos", shows that have created a global conversation, shows that have become "brands" in their own right, exciting because they come with rave reviews from across land and sea and have been the drivers of the streaming business.

I don't believe this due to a lack of talent in India, this can and should be a two-way street, Indian stories should be made in a way that can excite a global audience and find a fanbase in middle-America, in Scandinavia, in Africa; the problem is or has been a cultural one. Any kind of business is about "talking the same language" and the communication business this is key.

By language I don't just mean the spoken word (the large speaking English population is one of India's key assets in this new dawn of global streamers), the issue is the language of story, structure and character. Bollywood has created a rich and distinctive culture of film-making, but it is a form of entertainment that has struggled to export beyond India and the diaspora. While recent success has been seen in China with the Amir Khan blockbuster Dangal, this success has simply not been matched in the West. This is a challenge for the whole industry. If budgets are to rise for Indian story content, then these stories need to be told in a way that is attractive to audiences East and West. As global players, this is what Amazon and Netflix demand. So a different kind of storytelling, a 21st kind of storytelling, a mash-up.

I BELIEVE FIRMLY THAT THIS IS THE PATHWAY TO DELIVER "PREMIUM-PREMIUM" SHOWS TELLING INDIAN STORIES IN A WAY THAT THE WHOLE WORLD CAN APPRECIATE.

The solution, I believe, is AI. Artificial Intelligence you're thinking right? But as I explained in the media panel discussion at UK-India week last summer the AI I'm interested in is Anglo-Indian. For me there is real opportunity in the next decade or so in looking at how Indian and Indian diaspora stories, lensed through the UK, can create a global impact in the way they haven't before. I believe that by merging the culture of story-telling that has developed in the UK over several decades, by cross-fertilising British and Indi-an talent, a new shared tradition can develop, that breaks down barriers to telling Indian stories to a global audience.

This isn't just the wishful thinking of one producer, in numerous conversations at the highest level at Amazon and Netflix and also with the powerful agents WME and CAA who "package" films and TV in America, the idea of London or the UK at least as a bridge is an attractive notion not just from the language of story, but also the language of finance, business and the law. Having worked in Holly-wood and Bollywood I can see there is much to be done in educating both sides of the divisions in practices of employment, contracts and accounting. By creating a nexus through the UK, with its close historical alliance with India and large Anglo-Indian population, together with the familiarity of British producers with the Hollywood system, there is a huge opportunity to exploit the desire of US studios to go deeper into the Indian and market, and the mission to tell Indian stories to a global audience.

The next decade, I believe, is the moment to capitalise on this. If that doesn't sound sincere, then I'll refer you back to the famous Remington Shaver commercials in which the chairman Victor Kiam appeared, declared, "I liked it so much I bought the company". Following my experiences writing and directing the film Sachin: A Billion Dreams, a great example of a tie-up between an Indian producer and a (white) British director, I have invested in and sought to develop content with Anglo-Indian writers and financiers aimed at bridging this gap, to harness the dual force of an emotional Indian approach, with the more buttoned up, but heavily schooled British documentary tradition.

There is much work to be done, but I believe firmly this is the pathway to deliver "premium-premium" shows telling Indian stories in a way that the whole world can appreciate. Stories that open up the hearts and minds of the world, stories that can be shared through the unique global accessibility of the streamers, stories that can ultimately bring us closer together in our understanding and on the way make for a blossoming of the creative economies in the UK and in India.

An American Dream beyond the H1-B conundrum

by Mark Davies

An immigration expert runs through some of the hurdles in the path of skilled Indians planning to work in the US and looks beyond the H1-B visa to some lesser-known schemes.

Mark Davies, Global Chairman, Davies & Associates, LLC.

Most highly skilled Indians looking to move to the United States are familiar with the H1-B visa for speciality workers. Yet fewer know about another more reliable and less time-consuming pathway: the EB-5 Investor Visa programme.

Nearly three quarters of all the H1-B visas set aside for highly-skilled migrants are awarded to people from India. But this most sought-after route to working in the United States has never faced more uncertainty.

The H1-B visa is a lottery-based, non-immigrant visa that requires sponsorship from an applicant's employer. Approval rates are subject to the inconsistent and ever-changing immigration landscape in the United States where immigration is a contentious political issue. Only about one in three applicants are successful in their quest for an H1-B visa. And even when work-visa petitions are approved by the US Citizenship and Immigration Services (USCIS), there is still a considerable amount of uncertainty that can discourage the sponsoring employer.

NEARLY THREE QUARTERS OF ALL THE H1-B VISAS SET ASIDE FOR HIGHLY-SKILLED MIGRANTS ARE AWARDED TO PEOPLE FROM INDIA.

The EB-5 visa offers a way to sidestep all this uncertainty. This programme allows foreign immigrants to invest a minimum amount of $500,000 in the US economy and acquire a Green Card for their immediate family and themselves within a span of 18-20 months.

The applicant can choose to invest their money in a so-called Regional Center fund, which uses the money to build anything from hotels to golf courses across the United States. The Regional Center takes away all the burdens of reporting compliance to USCIS. For example, the Regional Center will prove that the investment is being used to create ten American jobs per applicant, which is a requirement of the EB-5 programme.

Since there are almost 1,000 Regional Centers of varying quality across the United States, it is vital that an applicant selects an attorney who is not only experienced in EB-5 visas, but who also has business acumen. This will help them navigate this web of opportunities so as to maximise the chances of the investment capital being repaid and ensuring there are no risks to the green card.

The EB-5 has grown steadily in popularity in the last two years and there is a chance that USCIS may start operating a waiting list for Indian nationals from 2019. Yet, for those who want to acquire the ability to work in the United States sooner, other options are available.

One possibility is the E-2 visa, which allows a person to live in the United States for the purpose of owning and running a qualifying business or enterprise. Such visas can initially be granted for any period up to five years, during which time the visa holder can travel freely into and out of the United States. E-2 visas can be renewed indefinitely, so long as there is still a need to manage and direct the underlying business.

However, Indian nationals are not currently eligible for E-2 visas. Only countries with trade and commerce treaties with the United States can pursue this option and India and the United States do not currently have such a treaty in place. Nevertheless, the two countries have a long history of close economic ties, and the United States has just granted India Strategic Trade Authorisation-1 (STA-1) status. This has eased controls on India's defence and high technology exports. It is therefore possible that the two countries could negotiate an E-2 treaty in future, under which Americans would need to be grated reciprocal access to India.

In the meantime, we have still managed to help our Indian clients secure E-2 visas. An increasing number of Indians are interested in "citizenship by investment" schemes operated by a range of countries around the world. For example, Davies & Associates has a well-established presence in Grenada, which offers a whole range of benefits, including a stable investment environment and a passport that has visa free access to 127 nations worldwide. Grenadian citizens are also eligible for E-2 visas, and we have assisted a number of clients with securing E-2 visas after they have become citizens of Grenada.

The E-2 visa is cheaper than the EB-5 with shorter processing times, which means that many clients choose to combine an EB-5 with an E-2 visa. E-2 processing times can be as little as one month and can cost around $100,000.00 depending on the business being developed. Pursuing an E-2 visa allows clients to live and work in the United States whilst their EB-5 application is being processed. The Grenadian authorities are also very efficient and the processing time for the Grenada Citizenship by Investment Programme is less than three months. This programme requires a $150,000 donation to Grenada's National Transformation Fund or a $350,000 investment in real estate offers the possibility of Grenadian citizenship.

Another possibility is the L-1 visa, which allows an Indian investor to expand their existing business into the United States. If a person has owned a business that they have worked at for more than one year, they may be able to obtain an L-1 non-immigrant visa by opening a branch in the United States. It is vital to have a carefully prepared business plan and to have an understanding of the complex tax and other reporting requirements. Indian consultants and advisors are not authorised by the United States government to give immigration advice. It is vital that clients engage a licensed US immigration lawyer to increase their chances of submitting a successful application. After one year, an L-1 visa-holder may be able to apply for a green card as an international manager or executive through the EB1-C programme.

So, the high rejection rate and uncertainty surrounding the H1-B visa programme need not spell the end of an applicant's American dream. The key is to find a competent and experienced immigration attorney who will work closely with an applicant to find the most appropriate solution to keep their dream alive.

Foreign firms keen on India

Sectors of interest for global investors ranged from education to beverages.

Sazerac buys stake in John Distilleries

Sazerac, a family-owned spirits company in the US, has completed its two-part acquisition of a significant minority stake in John Distilleries Pvt Ltd (JDPL), a leading liquor maker in India.

Sazerac has acquired the 20 per cent stake that private equity investor Gaja Capital still held at a valuation of $143 million (Rs 1,000 crore), taking its overall holding to 43 per cent.

Gaja Capital founder and Managing Partner Gopal Jain confirmed the development but declined to disclose details.

Sazerac acquired a 23 per cent stake in John Distilleries from Gaja Capital in October last year, marking its entry into India. Paul John, Chairman and MD at John Distilleries, holds the remaining 57 per cent stake.

Gaja Capital, which invested about $10.7 million (Rs 75 crore) in John Distilleries in 2011-2013, has made a fivefold return through the exit.

Gray Matters invests in 3 education start-ups

US-based impact investment firm Gray Matters Capital has invested a total of $375,000 (about Rs 2.8 crore) in three companies under its edLABS initiative.

With an $8-million corpus, edLABS funds early-stage enterprises in education.

Gray Matters put money in Delhi-based education financing marketplace GyanDhan ($125,000 or Rs 88 lakh), Hyderabad-based English language training organisation Ignis Careers ($150,000 or Rs 1.12 crore) and Cuttack-based social enterprise providing 'School-in-a-Box' solution ThinkZone ($104,000 or Rs 73 lakh).

Smita Sircar, innovations director at edLABS, said: "GyanDhan, Ignis Careers and ThinkZone are catering to the immediate needs of learners as well as enabling them for 21st century relevant skills. These enterprises are combining the expertise and passion for change which these entrepreneurs have, with a deep understanding of the lived realities and aspirations of the local low-income markets, to build solutions that are affordable and contextual while blending technology with a human touch to enable ease of adoption.

"We hope that these three investments from edLABS show paths to shake up the existing inertia in the system as local solutions are put into adaptive blueprints for replication across."

EY to acquire Pune-based Fortune Cookie

Consultant EY is acquiring the business of Fortune Cookie UX Design, a digital design boutique firm headquartered in Pune, a company statement said.

The acquisition will boost EY's digital transformation service offering with the presence of design thinkers and user experience (UX) designers.

Currently, there are about 2,200 digital and technology professionals in EY India, including data scientists, automation and infotech professionals delivering digital and technology-led solutions to clients in varied functions and industries.

With the fast-growing need from organisations to undertake large-scale digital transformation, EY plans to hire another 2,000 professionals with diverse capabilities over the next three years.

Fortune Cookie UX Design, founded by Shashank Shwet, Vidhika Rohatgi and Sonam Agarwal in 2008, is a full-service digital design consultancy, offering design thinking, digital ecosystem road maps, UX design and usability services. It has several global and Indian clients across industries such as manufacturing, financial services, retail, pharma and healthcare and media and entertainment.

According to the statement, EY has globally done over 120 acquisitions in the last six years and has over 20 alliances with technology majors around the world. Globally, EY plans to invest $1 billion in new technology solutions, client services, innovation and the EY ecosystem over the next two years.

India's e-commerce policy caught between a rock and a hard place

by India Inc. Staff

India's Draft E-Commerce Policy has set off a fierce debate in India about discounts, control and, most importantly, data security.

The Indian government is reworking the Draft E-commerce Policy it had released earlier following crit-icism mainly from foreign players and several independent analysts.

In particular, the draft drew criticism for its alleged bias in favour of protectionism and for making the domestic RuPay card, promoted by the National Payments Corporation of India (NPCI), the mandato-ry payments gateway. It had also suggested the setting up of a government-aided platform to pro-mote micro, small and medium enterprises (MSMEs).

However, the Department of Industrial Policy and Promotion (DIPP) came out with a few clarifications on December 26, 2018 that have fundamentally altered the playing field for US behemoths Amazon and Walmart (the latter now owns Flipkart, India's largest homegrown e-commerce company) that con-trol three-fourths of the Indian online market and also changed the rules of the game for companies in the digital payments and logistics spaces.

The most important change brought about by the DIPP is the one that restricts a "marketplace entity" from owning the goods that are sold on the platform as this would result in an "inventory model of business", which is not allowed under Indian law.

It has capped at 25 per cent the amount of inventory a seller can sell through a particular "marketplace entity" beyond which the latter will be deemed to be in control of such inventory and, hence, in viola-tion of the guidelines.

These and other restrictions will make it almost impossible for companies such as Cloudtail, a JV between Infosys co-founder N.R. Narayana Murthy's Catamaran Ventures, and Amazon, to sell any merchandise on the Amazon India platform.

Salient features

The 19-page draft released earlier contains several proposals to regulate e-commerce, which has been defined

as buying and selling of goods and services over digital networks.

Among other features, it proposes:

- Greater restrictions on global e-commerce giants such as Google and Amazon to provide what it calls a level playing field for domestic start-ups
- A phasing out of deep discounts in a time-bound manner in order to enable smaller Indian players compete with global giants and large domestic players with international investors as backers who leverage their deep pockets to burn cash in order to gain marketshare at the ex-pense of their smaller Indian rivals
- Restricting foreign investments in online companies that operate on the inventory model to sell Made in India goods and services to 49 per cent
- Making it mandatory for foreign companies to store personal data on Indian residents in India
- Amending the law to enable founders of Indian start-ups to retain control of their companies even with minority stakes

A recent Reserve Bank of India (RBI) circular mandating that overseas companies stop the transfer of personal information from India to their foreign-based servers has only added to the controversy. And the report on data security by a high-level panel headed by Justice B.N. Srikrishna, which has major implications for the financial services and healthcare sectors in particular, has exacerbated the situation.

The three developments are not connected to each other but since all of them relate to data security, among other things, this report attempts to look at them holistically.

Massive market

The draft e-commerce policy and the RBI circular on data storage within India come at a time when the Indian e-commerce market looks set to explode.

Just how massive this untapped opportunity is can be gauged from a recent report by Google, Bain & Co. and the Omidyar Network that projects more than half a billion Indians to get access to the In-ternet in the wave of expansion. Already 390 million have access, though only about 125 million con-duct online transaction, the report says. Leading Indian industry body, the Confederation of Indian Industry (CII) pegs the number of online shoppers in India to reach 220 million in the next two years alone. Despite this still relatively modest Net penetration, the per user data consumption of 8 GB per month is at par with that in developed markets.

THE DRAFT E-COMMERCE POLICY AND THE RBI CIRCULAR ON DATA STORAGE WITHIN INDIA COME AT A TIME WHEN THE INDIAN E-COMMERCE MARKET LOOKS SET TO EXPLODE.

Consider the hard numbers: The current size of the Indian e-commerce market is estimated at a shade under $40 billion. This is projected to grow to about $64 billion by 2020 and $200 billion by 2026. Some estimates even peg the size of the Indian digital economy at 50 per cent of GDP by 2030 – and we're talking of what could, by then, well become a $7-8 trillion economy.

India central to global e-comm

These existing numbers and mouth-watering projections as well the relative ease of entry for foreign players into the Indian market, compared to highly restricted countries like China, gives what is essen-tially a domestic policy initiative global ramifications.

This may, therefore, call for some amount of circumspection from India and the RBI on the final shape of the e-commerce police and the circular on forcing payments companies to store customers' data in India.

Since the loudest protests are coming from US companies such as Google, Amazon, Facebook and Apple, it might just present the highly protectionist current US administration under Donald Trump an opportunity to jump in and raise the pitch, thus, politicising a policy discussion in India.

Notably, Apple has put the rollout of its Unified Payments Interface-based payment platform in India on the backburner. This follows the decisions by Amazon and Facebook to defer the rollouts of simi-lar products.

If other countries join the protectionist chorus, it might end up hurting India's giant $150-billion IT out-sourcing industry.

The end result could be to fragment the internet, thus, negating the benefits of improved connectivity. As India Inc. CEO Manoj Ladwa recently noted: "Maybe it's time to consider a kind of Geneva Con-vention on data."

Widespread criticism

The draft drew criticism not only from foreign players but also from dozens of Indian industry such as Infosys Co-founder and Chairman Nandan Nilekani, who said the draft shows "some kind of protec-tionist thinking… may stem from a feeling that Indian start-ups should be given a boost, something on the lines of the China model… What's happening in India is only a reflection of the global mood where after decades of globalisation and trade, we are seeing tariff and non-tariff barriers emerging across the world."

Google CEO Sundar Pichai has also written to Indian IT Minister

Ravi Shankar Prasad on the free flow of data across international borders saying this will encourage international companies boost the growth of India's digital economy and also help expand the Indian start-up universe.

"Free flow of data across borders - with a focus on user privacy and security – will encourage start-ups to innovate and expand globally and encourage global companies to contribute to India's digital economy," he wrote.

Others like industry body Internet and Mobile Association of India (IAMAI) have also joined the dis-cussion, saying the Indian start-up eco-system will be hurt by what it called "restrictive" clauses of the draft.

In particular, it spoke out against the fact that forcing companies to store customer data in India would force Indian start-ups to look for inefficient and expensive domestic options when cheaper, better alternatives were available in the market.

But the draft e-commerce policy has also found backing from some influential quarters. Leading trade body, the Confederation of All India Traders (CAIT), which has been protesting against deep discounts by online retailers stealing customers from their brick and mortar counterparts, has written to the Commerce Ministry demanding that the stringent provisions of the draft e-commerce policy should not be diluted.

THE CURRENT SIZE OF THE INDIAN E-COMMERCE MARKET IS ESTIMATED AT A SHADE UNDER $40 BILLION.

New committee

Reacting to criticism at home and abroad, the government has set up a committee comprising mem-bers from the Ministry of Information Technology, the Department of Commerce, the Department of Economic Affairs and Niti Aayog to take a fresh look at the draft e-commerce policy.

Given the different pull and pressures and the powerful constituencies lined up on both sides of the e-commerce and data protection fault lines, the government will have to carefully finesse its position when it comes out with a final policy.

This is an election year and the retail lobby is strong in India. So, it may not be wise to antagonise them politically. On the other hand, any overtly protectionist policy will go against the very grain of the Modi government's globalising instincts.
It won't be easy squaring this circle.

In all probability the issue will land the Prime Minister's Office for a solution that addresses both the genuine concerns of the brick and mortar retailers and the impera-tives of maintaining India's global competitiveness especially in outsourcing.

The restrictions

DIPP has issued clarifications that fundamentally alter the playing field in the e-commerce sector. It says

- The online e-commerce platform will have no control or influence over the sale of prices of goods and services sold on that online e-commerce platform to ensure a level playing field for all vendors
- A company owning an ecommerce marketplace platform ("Marketplace Entity") shall not own or control the merchandise it sells on that platform as this will convert the business to the "in-ventory model", which is not allowed as per Indian law
- Vendor owned by an online e-commerce platform or its group companies shall not sell any goods and services on such a platform
- Control or ownership of inventory of a vendor will be deemed to have taken place if the online e-commerce platform or its group companies purchase more than a quarter of its goods and services
- No online e-commerce platform can force a seller to enter into an exclusive sales arrange-ment
- Cash back offers to buyers will have to be fair and non-discriminatory
- Arms-length norms will have to followed on prices of services such as advertising and mar-keting, financing, order fulfilment, delivery & logistics, warehousing and payments, provided by an online e-commerce platform to any vendor to ensure that it fair, proper and does not discriminate against other vendors.

Past, Present and Future—The Changing Tide of India–UK Economic Relations

Lord Meghnad Desai, Emeritus Professor of Economics at the London School of Economics, recounts the changes in India-UK relations over the past few centuries and discusses the road ahead.

Independence

Trade and economic relations between India and the UK are more than 400 years old. From 1600, when the East India Company began trading, there have been several distinct phases. The first phase, with the English buying exportables in India and using Indian ports as entrepôt for their trade in Southeast Asia, lasted 150 years. Then in the mid-eighteenth century, two things happened which altered the power relations. East India Company moved into the political vacuum created by the decline of Mughal power and took over several parts of India starting with Bengal and Carnatic (today's Tamil Nadu). It took the company ninety years (1757-1847) to complete its conquest of India. But independent of this campaign, the Industrial Revolution occurred in Great Britain which altered the economic power relation between the two.

India became a net buyer of textiles (and other manufactured products) from the early nineteenth century onwards. It exported agricultural goods now. The alteration in the economic power relationship affected not just India but many countries in Europe as well as countries of Asia before they could catch up with Great Britain in the industrial race.

India was enfeebled by the displacement from industrial leadership after the Industrial Revolution and the discouragement from the metropolitan power. Only during the two World Wars did India develop modern industry. Even so it was the junior partner in trade. The imperial experience convinced the Indian nationalists that they had to industrialise India when it became independent and that they should not just rely on foreign trade.

Independence and After (1947-1990)

From 1947 till the end of the century, India continued to be an importer and recipient of FDI from the UK. Great Britain was a leading country in giving foreign aid to India, including the steel plant at Bhilai. India exported skilled and unskilled labour and a diaspora was built up in the process. India had political weight in the Commonwealth but not much economic clout.

It industrialised but relied too much on the public sector and tried to become self-sufficient. Heavy tariffs were imposed on imports and the entry of foreign capital was discouraged. The domestic private sector was restrained by permits and licenses. India grew but at a very slow pace. Fair to say, some of these ideas of State intervention and controls had been imported from the British Labour Party and its thinking, especially Fabian socialism. But while the UK moved on under Margaret Thatcher and converted itself into a dynamic market economy, India clung to its old beliefs.

India Resurgent (1991-2016)

It is in the last twenty-five years since the Rao–Singh economic reforms that the situation has been transformed. India cut its tariffs and relaxed quotas. Private sector was released from restrictions. Foreign capital was made welcome. India began to thrive in the services sector, especially IT. Then during the first decade of the twenty-first century, India became an exporter of capital. Indian businesses were able to buy out companies abroad. The diaspora—NRIs—collaborated with Indians in capturing and running many businesses. From being a weak trading partner in the nineteenth and twentieth centuries, India has emerged as a potential powerhouse in the twenty-first.

The latest phase of Indo-UK trade and economic relations is thus much more a story of give and take on an equal footing. India is not just a market for British goods or a destination for investment, it is also a major investor in the UK and a trading partner. With Tata's purchase of Jaguar Land Rover and its success as a dynamic exporting company, India's role in the British economy has been altered completely.

Brexit UK

The UK economy has come well through the recession, registering one of the highest growth rates of GDP among the G7. But the Brexit decision has injected a lot of uncertainty about its future. As the UK withdraws from the EU, it is uncertain as to what the framework of its future relations with the EU27 will be. But at the same time, the UK will have to join the WTO once it exits EU and negotiate free trade agreements with the rest of the world. India, China and the emerging economies will be at the forefront of the UK's wish list as its preferred

INDIA, CHINA AND THE EMERGING ECONOMIES WILL BE AT THE FOREFRONT OF THE UK'S WISH LIST AS ITS PREFERRED PARTNERS FOR FUTURE TRADING RELATIONS.

partners for future trading relations. This is likely to give India a strong bargaining position.

The main agenda item in the near future—the next five years—will be the shape of the UK–India FTA. As India is growing at a fast rate, it will become more versatile. Its exports of goods and services as well as skilled labour will grow. The UK is also a strong service export nation, especially in higher education. If immigration to the UK becomes a sticky point, then the UK universities can locate to India and/or set up distance learning/online facilities. The demand for quality higher education in India is most incredibly high and growing fast. India would also welcome the UK investment as part of its Make in India initiative.

The Future

There is no doubt that India–UK economic relations will stay close and strong. But over the years, India has reduced the economic distance between the UK and itself. As the fastest-growing economy with a favourable demography, India has every chance of becoming one of the three richest countries along with USA and China. Of course, in per capita terms it will be a middle-income country for the next twenty-five years. The UK will remain a high-income economy, among the G7. Its trade with India will contain items of soft power—literature, arts, theatre, films, music—as much as goods and services. It is also a highly innovative economy as its progress in fintech shows. British universities are research and development hubs and India has a lot to learn from the UK in this respect.

India will continue to make its presence felt in the British economy as Tata Steel and Jaguar Land Rover have already done. Indian entrepreneurs will take over more companies in the UK. As time passes, it will be India which will be the stronger economy with a greater potential than the UK in the partnership. It is the UK which needs and will need even more of India's skill and resources than the other way around. The UK economy will take five to ten years to fully adjust to the post-Brexit equilibrium. Within that time India will have made up even more ground. The story of the UK–India economic relationship may go back to what it was in 1600.

The above is a synopsis of one of the chapters from 'Winning Partnership: India-UK Relations Beyond Brexit', edited by India Inc. Founder & CEO Manoj Ladwa.

Some lessons for new age innovators to make impactful decisions

by Priya Kapadia

Open mindedness towards mentorship can empower innovators to also deepen the social impact of their efforts, writes the head of Marico Innovation Foundation.

Regardless of their size, innovative organisations are able to scale up more easily and grow. They are able to predict and respond better to market changes and build a brand that stands out. It is no wonder then that 63 per cent of the companies, according to a recent Forbes article, are hiring Chief Innovation Officers (CIOs) to support the innovation process.

And it isn't large organisations alone that realise the value of being innovation forward. That is the reason we are seeing a number of collaborative ecosystems emerging in order to further nurture innovation, especially in the start-up world. They are helping pave the way forward for innovation to not be a one-time eureka moment in the life of an business, but a constant regenerative force propelling businesses and economies ahead, creating deep social impact in many instances.

A COLLABORATIVE AND INCLUSIVE APPROACH TO BUSINESS AS WELL AS THE ABILITY TO SEEK SUPPORT FROM A WELL-MATCHED MENTOR CAN HELP INNOVATIVE BUSINESSES STAY RELEVANT IN THEIR GROWTH TRAJECTORY.

An enabling ecosystem

Take for instance the case of Atomberg Technologies (India's most energy efficient ceiling fan, consuming just 25W as compared to the majority that consume75W, thereby cutting down your electricity bill by 65 per cent!). What they already had was a strong innovative product along with a sharp and determined team of founders with the hunger to grow business. Couple this with the right ecosystem support from a combination of strategic plus operational standpoint from a well-matched mentorship that helped them identify and hone their e-commerce sales strategy resulted in a 5 fold increase in sales numbers over 2 quarters. In the case of Atomberg Technologies, well timed support, helped them overcome impasse to achieve scale and grow their business strategically.

Openness of the innovator towards mentorship

Open mindedness towards mentorship can empower innovators to also deepen the social impact of their efforts. One such success story of scale up through mentorship is that of Educate Girls, an organisation working to facilitate girls' education in rural India. While solving a supply chain management challenge they faced, MIF has managed to reduce

the total per kit cost leading to an immediate saving of Rs. 35 lakhs over just 4 months of engagement and projected savings of Rs. 1.55 crores by FY 2019. They are now able to scale their project that was going to 800 schools at a much higher cost to 6000 schools in one year of MIF's intervention, enabling them to reach 1.5L girls.

Making innovation a norm rather than a blip in the lifecycle of any organisation requires a deliberate built-in mechanism to create a culture of open-mindedness, intelligent allocation of your skilled resources and last but not the least, concrete mentorship to gain sustainability & scale-up.

What successful innovative start-ups do well:

Cultivate a collaborative culture - because nothing grows under a large Oak tree. Organisations that are not open to collaborations and external support don't grow beyond a point. Creating a culture where innovative ideas from all quarters are welcomed will benefit your company. Apart from the obvious outcome of potential game-changing ideas flowing in freely, an inclusive environment attracts talent and creates a more involved workforce with a greater sense of ownership in the workings of the organisation as a whole.

Accept alternative points of views – A great innovative idea requires the expertise and niche understanding of many participants to truly make it soar. Most startups might be resistant to bring in experts even when battling a variety of issues, for fear of diluting their control over their enterprise which they feel so passionately about. Allowing a mentor onboard who has amassed a wealth of expertise and understanding has proven to help businesses when they have been unable to find a suitable expert or found themselves unwilling to get into a long term commitment with one.

Get Realistic - Fact remains, that no one can be a genius at everything. An innovator who knows his strengths and more importantly his weaknesses is more realistic and open to alternate perspectives. Innovative organisations learn to identify and apply their human capital intelligently. They don't waste precious time making mistakes and learning from them when they can bring in the specialists to begin with. Successful organisations also don't hesitate to seek help from a suitable mentor before a hiccup turns into a full-blown crisis.

In a nutshell, a collaborative and inclusive approach to business as well as the ability to seek support from a well-matched mentor can help innovative businesses stay relevant in their growth trajectory. After all, every innovative idea needs nurturing to ensure it goes on from being just an idea to becoming something truly disruptive and sustainable.

Priya Kapadia is Head of Marico Innovation Foundation

The twists and turns of the UK's golden visa

by India Inc. Staff

Britain's special Tier 1 Investor Visa, used by hundreds of Indian billionaires over the years, was to be suspended by the UK government over its feared misuse before a U-turn.

The UK government recently confirmed a U-turn on plans to suspend a visa category dubbed the "golden visa" in reference to its use by super-rich foreign nationals to acquire fast-track settlement rights in Britain.

The Tier 1 Investor Visa, used by many high net worth Indians over the years, was to be suspended in December 2018 over fears of its misuse. The UK Home Office announced that the route would be suspended until new rules are put in place in 2019, under which independent, regulated auditors will assess such high net worth applicants' financial and business interests and check they have had control of the funds for at least two years.

However, the Home Office backtracked days later, saying the plans are on hold, without an explanation behind the decision.

"The Tier 1 (Investor) visa is not currently suspended, however we remain committed to reforming the route. A further announcement will be made in due course," a Home Office spokesperson said.

Golden visas have been widely condemned by those who believe they leave the UK open to corruption or stolen funds being laundered through the UK from countries like Russia, China, India and the Middle East.

Transparency International UK, a non-profit anti-corruption body which had welcomed the crackdown, condemned the reversal, which it said is believed to be the result of opposition from other UK government departments.

"It is vital that the government has a joined up approach to fighting corruption with departments working together in unison. We are concerned to hear conflicting messages on government action on this important issue over the past week," said Rachel Davies Teka, Head of Advocacy at Transparency International UK.

"We call on the government to urgently clarify its policy towards the Tier 1 Visa Scheme, as well as set a timetable for when and how the promised review of previous recipients

ACCORDING TO OFFICIAL FIGURES, AROUND 76 INDIAN MILLIONAIRES HAVE USED THIS VISA CATEGORY TO GAIN PERMANENT SETTLEMENT IN BRITAIN SINCE 2009.

will be carried out," she said.
The group said that any new investor visa system must be water-tight, and subject to independent checks to ensure it does not become a "red carpet" for those who seek to use the UK as a safe haven for their "ill-gotten gains".

Under the scheme under review, a £2 million investment bought a visa and indefinite leave to remain (ILR) in the UK after five years. An investment of £5 million cut down the eligibility period for ILR to three years and £10 million meant the investor could be eligible for permanent settlement within two years along with his or her dependents.

According to official figures, around 76 Indian millionaires have used this visa category to gain permanent settlement in Britain since 2009, with a peak of 16 Indian applicants in 2013 and seven in 2017. The highest number of the over 1,000 such visas issued last year went to Chinese and Russian millionaires.

The Home Office had launched an investigation into Tier 1 Investor visas issued to wealthy Russians as relations between the UK and Russia nose-dived following the deadly nerve agent attack on former Russian double agent Sergei Skripal and his daughter Yulia earlier this year. It led to Chelsea football club owner Roman Abramovich withdrawing his Tier 1 Investor visa application and has since acquired Israeli citizenship instead.

The Home Office had confirmed that its probe into the visa route would not be limited to just Russian billionaires and would form part of a wider crackdown on money laundering.

As part of new rules planned from 2019, independent, regulated auditors are set to assess such high net worth applicants' financial and business interests and check they have had control of the funds for at least two years.

Transparency International UK welcomed the crackdown and called on the government to take urgent action on individuals found to have invested suspicious wealth into the UK via the Tier 1 Investor visa scheme.

"Property and other high-end sectors are increasingly accused of allowing dirty money into the UK but it's astonishing to think that the UK's own visa scheme can be used to launder corrupt money into the UK. Once obtained 'Golden' visas can also open the door to channel much larger sums of stolen cash into our financial system," said Duncan Hames, the organisation's Director of Policy.

"Any individuals found by this review to have brought suspicious money into the UK should be subject to police investigation into the provenance of all their UK assets," he said.

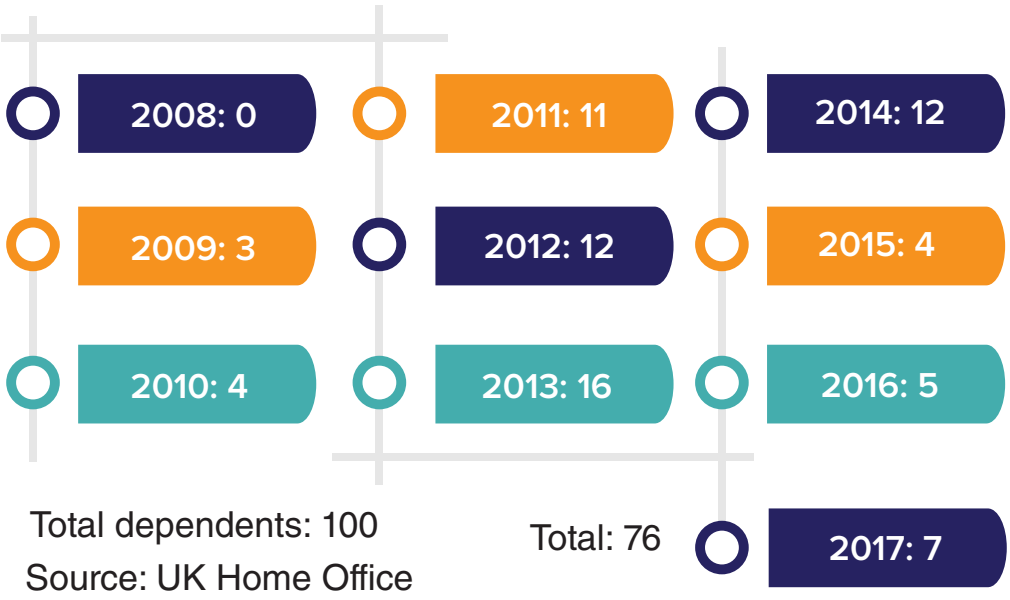
Reforms to the Tier 1 Investor scheme are part of wider reforms to the UK's visa system. The Home Office is also replacing the Tier 1 Graduate and Entrepreneur visa routes with a Start-up visa route, announced in June, and the Innovator visa route.

UK Immigration minister Caroline Nokes said: "The UK will always be open to legitimate and genuine investors who are committed to helping our economy and businesses grow.

"However, I have been clear that we will not tolerate people who do not play by the rules and seek to abuse the system."

Reforms to the system will also aim to increase the benefits to UK companies by excluding investment in government bonds and strengthening the rules to ensure investments are made in active and trading UK companies.

Super-rich Indians using Golden Visa



Impressive digital strides improve millions of lives in India

The Narendra Modi led government has registered significant progress in its goal to use technology for social change.

Data doesn't lie. As the time for Indian Prime Minister Narendra Modi's report card to be unveiled draws closer, he can take great pride in the strides his government has made in leveraging technology to improve the quality of life of Indians.

Here are a few random numbers: There were about 220 million smart phone users in India when he assumed office in 2014; that figure than doubled to 460 million by March last year. Then, India's Internet user base has also more than doubled to 560 million from 240 million over this period. And every Indian now has a digital identity in the form of an Aadhaar number, up from about 50 per cent coverage four years ago.

Technology ushers in social change

The near universal spread of the Net in India is changing lives and transforming Indian society in several ways.

For example, the triangulation of universal banking in the form of the Jan Dhan Yojana, the Aadhaar number and 100 per cent mobile phone penetration has allowed the government to target direct benefit transfers, where subsidies, scholarships and other government benefits are being delivered directly to millions of citizens.

A new wave of rural jobs is being created in the hitherto neglected North East, rural regions and remote areas via micro BPOs that cater mainly to local and sub-regional requirements. Millions of Indian farmers are now getting better prices for their produce thanks to the digitally connected National Agricultural Market (e-NAM), which is an online trading platform for agricultural commodities launched in 2016.

Then e-learning programmes and telemedicine are enriching lives across the country.

Bringing in transparency in governance

Modi promised to usher in a transparent government free to scams and corruption. He has succeeded in delivering on this in large measure by using technology.

EVERY INDIAN NOW HAS A DIGITAL IDENTITY IN THE FORM OF AN AADHAAR NUMBER, UP FROM ABOUT 50 PER CENT COVERAGE FOUR YEARS AGO.

Riding the credo digital governance is transparent governance the government has made several official permissions completely online, obviating the need for physical interaction with government officials. Result: India's ranking on the UN e-governance Index has risen 22 places over four years to 96 in 2018. The process of getting voter ID cards and Aadhaar, often the only markers of identity in rural and remote areas in India, has been digitised. This has enabled millions to get easy access to government benefits.

And the number of digital e-governance transactions has risen about 160-fold from 6.5 million every day to about one billion now.

Ambitious goals

As India eyes an entry into the trillion-dollar digital economy club over the next 3-5 years, the spread of digital infrastructure and literacy is making India's impressive growth more inclusive.

Helping this process is the dramatic growth of India's start-up eco-system, which has gone from being practically non-existent to one that nurtures 5,000 start-ups a year. India is now home to 10 unicorns and KPMG figures show a near 100 per cent growth in e-com business over the last four years.

Current challenges

Despite these impressive strides, the country still faces significant challenges in feeding, clothing, housing, educating and providing healthcare services to millions of poor Indians.

But many of them are being overcome using technology. Although the number of mobile phone makers in India has soared from two in 2014 to 127 now, the country remains dependent on US and Chinese companies for the supply of chips and other high technology inputs. The government has set its sights on building a domestic semiconductor industry. This will require many billions of dollars in investments with returns many years away.

The rise of a more digitally aware India has also brought in its wake issues of trust, data privacy and cyber security. Then cyber addiction has recently been recognised as a mental health issue. This raises the question: what kind of a society do we want to live in? The answer to that will have to evolve organically from within Indian society itself.

But 'India Global Business' has no doubts that in the years to come, uninterrupted and high-quality digital connectivity will replace the proverbial annual monsoon as the driver of India's growth rates.

2018: The Year That Was

INDIA GLOBAL BUSINESS
India's Foremost Trade & Investment Magazine

A snapshot of the wide spectrum of coverage by 'India Global Business' over the course of this year. The flagship publication of UK-based media and publishing house India Inc. has been tracking all the key developments around India's globalisation agenda through an array of in-depth analysis and expert opinion.

India Inc. wishes its readers a Happy New Year with a promise of an equally power-packed 2019.