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Democracy Trumps Terror

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Democracy Trumps Terror

Who says democracies are ill-equipped to tackle global terror? The Narendra Modi government's proactive diplomacy paid off big time when China removed its veto and allowed the United Nations to designate Pakistan-backed Jaish e-Mohammed (JEM) chief Masood Azhar a global terrorist.

The US, the UK and France deserve a large part of the credit for this but it was the Modi government that was the prime mover behind this initiative to collar terrorism emanating from across its border.

JEM had claimed responsibility for a terrorist attack earlier this year in India's Pulwama district killing 44 Indian soldiers, which received global condemnation.

It also shows, for the first time, the limits of Pakistan's relationship with its much touted all-weather-friend China.

The designation of Azhar as a global terrorist, a huge victory for the free world, caps a relentless, often lonely battle fought by India and is another marker of Modi's successful outreach towards all the important capitals around the world.

What is also relevant is that it has come bang in the middle of India's noisy general elections. The general consensus is that Azhar's listing will help Modi and his Bharatiya Janata Party (BJP) in the remaining phases of the election by reaffirming the Indian Prime Minister's credentials as a strong leader who can take on the terrorists and Pakistan, whilst being deft in his global diplomacy.

This is the world's largest democratic exercise, when 900 million eligible voters – equal to the entire population of the European Union and the US combined – come out to decide the future of one-sixth of humanity. This aspect of what is arguably the greatest show on earth hasn't been properly appreciated in the western world.

Of greater interest in India and elsewhere is: will the high voter turnout help Modi or will it be a vote against his government?

In India, the conventional wisdom has been that higher voter turnouts mean a vote for change. But conventional wisdom has often been found wanting when it comes to explaining Modi's continuing connect with the Indian electorate.

The vote percentage (as a proportion of the total eligible pool of voters) in the first four phases of this seven-phase election is 67 per cent, only marginally less than the 67.6 per cent turnout in 2014 when the vote percentage hit an all-time high.

THE DESIGNATION OF AZHAR AS A GLOBAL TERRORIST, A HUGE VICTORY FOR THE FREE WORLD, CAPS A RELENTLESS, OFTEN LONELY BATTLE FOUGHT BY INDIA

If this enthusiasm for voting is sustained in the remaining three phases, the final turnout figure could well be a new record.

With this election widely perceived as a referendum on Modi's performance as Prime Minister, I wouldn't be surprised at all if women and youth voters, two of his core constituencies, propel him to a second term in office.

This continuity will also be helpful for governance as several major initiatives – among them a universal medical insurance scheme, an initiative to provide brick and mortar houses to every Indian by 2022, the programme to clean up the bad loan mess inherited from the previous Congress-led coalition government and the stabilisation of GST – are works in progress and will to be handled carefully by the next government to see them through to their logical conclusion.

The Indian stock markets, the thriving but underground betting market, all opinion polls – as well as the mid-election boost in the form of listing Azhar as a global terrorist – point to Modi's return.

Apart from investors and politicians, terrorists such as Azhar, 26/11 mastermind Hafeez Saeed and their handlers will also be watching closely if Modi comes back to power. We will know in less than three weeks.

Manoj Ladwa
Founder and CEO of India Inc. Group.
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The Global Edition of 'India Global Business' marks a milestone in India's fight against global terror alongside a deep-dive into the turbulent times faced by the global civil aviation industry against the backdrop of the unfortunate grounding of India's Jet Airways. A host of other topical interviews and analyses make up the rest of the package.

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What ails the Indian civil aviation sector

by India Inc. Staff

Indian airlines are growing the fastest in the world, but a majority of them are also losing money. A number of factors, such as the world's highest aviation turbine fuel prices and problems with some aircraft brands, are challenges they need to overcome but there's massive room for growth as a majority of Indians still consider flying very expensive.

India's oldest private sector airline, Jet Airways, downed shutters "temporarily" in April as lenders tried to find a white knight buyer who could rescue the now-stranded Indian air travel pioneer.

Earlier, India's largest bank, the state-owned State Bank of India (SBI) and other lenders, who are owed more than $1.2 billion by Jet, fought a long-drawn battle of attrition with the airline's feisty founder and one-time travel agent, Naresh Goyal, before easing him out of the company.

Four companies – Etihad Airlines, which already has a 24 per cent stake in Jet Airways, TPG Capital, Indigo Partners (not to be confused with the Indian budget carrier with the same first name), the government-backed National Investment and Infrastructure Fund (NIIF) and British entrepreneur Jason Unsworth, the founder-CEO of start-up carrier Atmosphere Air – have shown interest in taking over the airline the bidding process for which will close on May 10.

$4 billion needed for bailout

It won't be easy – or cheap – to resurrect the airline, which, at its peak was operating more than 125 aircraft and 650 flights a day to Indian and foreign destinations.

According to Ajay Singh, Chairman of rival Indian airline SpiceJet, which he rescued from near bankruptcy five years ago, it will need more than $3.5 billion as viability gap funding to rescue the airline. Of this, any potential white knight will have to pony up more than $1.5 billion upfront.

"Acquiring Jet is beyond my capacity," he told the Indian media.

Besides this, the creditor-banks will

have to take a haircut of about half their exposure, bringing the total cost of a potential rescue package to $4 billion.

Then, analysts said, Jet will need at least 40 planes immediately to service most of its profitable domestic routes. Lessors have reclaimed almost the entire Jet fleet for non-payment of dues; so, finding so many planes at short notice will pose another challenge.

It's a sorry state of affairs for an airline that not only broke the monopoly of the state-owned Indian Airlines but also, for the first time, gave fliers a feel of international-class luxury and efficiency and punctuality on domestic Indian routes when it was launched 26 years ago.

It is also a strange fate for what was, until recently, the second-largest airline in the world's fastest-growing air travel market.

Explosive growth…

India is the world's third largest and fastest growing civil aviation market in the world. According to International Air Travel Association (IATA) figures released in February, 139 million passengers flew on domestic routes in 2018, up 18.6 per cent from 117 million the previous year. India has retained the position of the fastest-growing aviation market in the world for four years.

Analysts estimate that India will need 800 commercial passenger planes by next year to meet the growing demand. US aviation giant Boeing has projected this demand to more than double to 2,300, or 6 per cent of global volume valued at $320 billion by 2037.

Before Jet went belly up, Indian airlines had placed orders for 850 planes to be delivered over the next eight years, with Indigo, India's largest airline, alone accounting for 450 aircraft. Jet had about 150 planes on order.

After Jet Airways stopped flying last month, India is now left with 21 scheduled airlines, including Air India, Indigo Airlines, SpiceJet, GoAir, Air Asia and Vistara and some regional airlines.

It is also a market where cut-throat competition has forced many players such as ModiLuft, Damania, East-West, Paramount, Kingfisher, etc., out of business.

ANALYSTS ESTIMATE THAT INDIA WILL NEED 800 COMMERCIAL PASSENGER PLANES BY NEXT YEAR TO MEET THE GROWING DEMAND. US AVIATION GIANT BOEING HAS PROJECTED THIS DEMAND TO MORE THAN DOUBLE TO 2,300, OR 6 PER CENT OF GLOBAL VOLUME VALUED AT $320 BILLION BY 2037.

… sans profitability

Despite such scorching growth, the civil aviation sector in India has not been, except for a few years, profitable. Indigo, one of the few outliers in this sea of red ink, also slipped into losses during the July-September quarter last year – its first loss in more than three years. It returned to profitability in the following quarter.

Analysts say realisations have to improve if the Indian aviation sector has to claw its way back to profitability as a whole. Indigo has a high passenger load factor (PLF) of 87 per cent, but the rapid rate at which it has been adding new planes and destinations is pushing down its margins.

This is also the story of Indian aviation. The number of passengers flying on Indian carriers has been growing at double digits for the past four-and-a-half years till February, says IATA, but the sector's PLF has been falling for the reasons mentioned above. And though the PLF in India is still higher than in the US, China and Brazil, it has been declining year-on-year from October last year (figures available till February 2019).

This means every aircraft taking off on domestic Indian routes had more empty seats than earlier. This is impacting the bottom line in an industry with wafer-thin profit margins.

Fuel cost, currency and competition

The aviation sector in India is saddled with the highest prices of aviation turbine fuel (ATF) in the world. Then, the depreciation of the rupee against the dollar and, indeed, all major currencies in the world over the last few years have increased outgoes on account of fuel and spares as well as the capital cost of the planes themselves, hitting the financial viability of the sector. And rising crude oil prices have come as a rude shock to the already beleaguered airlines. Then, taxes on ATF are the highest in the world, making fuel, which accounts for 40 per cent of the cost of Indian carriers, even more expensive. An analysis of correlation between ATF prices and airline bottom lines in India by The Economic Times, India's largest financial daily, corroborated the inverse relationship between ATF prices and profitability and identified at least three time periods – the December 2013 quarter, April-March 2015 and January-March 2016 – when ATF price movements led to huge profits or large losses for the Indian aviation sector.

The (lack of) GST consensus

Petroleum products, including ATF, does not come under India's recently introduced Goods and Service Tax (GST) regime and so, is still subject to a welter of separate central and state taxes (the latter varies from state to state).

The central government charges an 11 per cent excise duty on ATF. On top of this, various states charge up to 29 per cent state-level taxes, including sales tax and value added tax, leading to a cascading effect that increases the final cost of ATF for airlines.

IF THE CENTRAL GOVERNMENT CAN CONVINCE THE STATES TO MOVE ATF TO THE LIST OF PRODUCTS COVERED BY GST, IT WILL PROVIDE A RELIEF OF MORE THAN $700 MILLION TO THE INDIAN AVIATION SECTOR – ENOUGH TO BRING THE SECTOR COMFORTABLY BACK INTO PROFITABILITY.

Since this is a money spinner for states, they are reluctant to give up this power to the GST Council. But everyone accepts that this is a negative for the aviation sector.

India's Civil Aviation Minister Suresh Prabhu has gone on record to say he supports bringing ATF under the ambit of GST to ensure a level playing field for the domestic airlines industry.

"Each state has a different tax. Due to this, the refuelling (for airlines) cost completely changes. We feel that it should be done. I hope the GST Council takes a call on that and we are pursuing this with the council continuously.

"We will work on it that aviation fuel should also be brought under GST for predictability and for ensuring level playing field," he told PTI in an interview a few months ago, adding that input costs should be competitive for every sector.

At present, ATF prices, which are linked to a global benchmark and the foreign exchange rate of the preceding month, are revised every month. This price has shot up 9 per cent between January and March this year. SpiceJet's Singh estimates that ATF prices in India are about 40 per cent higher than elsewhere in the world.

If the central government can convince the states to move ATF to the list of products covered by GST, it will provide a relief of more than $700 million to the Indian aviation sector – enough to bring the sector comfortably back into profitability.

India's airlines have been lobbying the government to bring ATF under GST from the day the new tax was introduced. They propose to step up these lobbying efforts after the new government takes office by the end of this month.

"Hopefully, the GST Council will pick it up for discussion at its next meeting in July 2019 when it meets once again after the elections are over," SpiceJet's Singh told the media.

Fleet composition

Indigo and SpiceJet (now India's second-largest airline by market share following the grounding of Jet Airways) together account for more than 52 per cent of the Indian civil aviation market. But both of them are facing problems with the aircraft they have ordered.

Indigo, which has a 39 per cent share of the market, has ordered hundreds of Airbus A320 Neo planes but the aircraft's Pratt & Whitney (P&W)

engines have faced a continuous string of issues that led to several of them being grounded last year and so far this year. The Directorate General of Civil Aviation (DGCA), the country's aviation sector regulator, has issued notices to the airline and will conduct a safety audit on its fleet soon.

SpiceJet's fleet is made up mostly of the Boeing 737 Max aircraft that was involved in two recent fatal crashes involving Lion Air and Ethiopian Airlines. Following this, they have been grounded in many jurisdictions around the world, including India. This has effectively stymied SpiceJet's fleet augmentation programme for the time being.

"At present, Indigo and GoAir have 33 per cent (72 aircraft) and 61 per cent (30 aircraft), respectively, of their fleet comprising the A320neo family aircraft with the P&W engines. The grounding of these aircraft will, thus, impact an additional 15 per cent of the industry capacity," ICRA, a leading Indian investment information and credit rating firm, said in a recent report.

"Of the pending order book of 850 aircraft for the domestic airlines, 64 per cent comprises A320neo family with the P&W engine (78 aircraft for Indigo and 114 aircraft for Go Air) and Boeing 737 Max (220 aircraft for Jet Airways and 129 aircraft for SpiceJet). Delays in resolution of these technical issues would, thus, result in delays in deliveries/cancellation of orders by the airlines, further impacting the industry capacity," the report added.

The UDAN boost

In India, air connectivity is still limited to the main cities in every state. In order to improve connectivity across the country and to serve underserved and unserved smaller centres, the Narendra Modi government has launched a scheme called UDAN-RCS, a regional connectivity scheme with the objective of "letting the common citizens of the country fly".

It proposes to turn more than 400 unused or underserved airstrips in many small towns, pilgrimage and tourist centres into small airports and subsidise airlines to fly to these destinations.

It's still early days yet for the scheme but the signs are encouraging.

Way forward

The civil aviation sector in India, is thus, poised for explosive growth. With rising standards of living and incomes, more people will start flying for the first time in the years to come. But it is also hobbled by some very major existential problems that need urgent attention.

Some of these will require governmental intervention to resolve. These include the issue of bringing ATF under GST, building new airports, ensuring that UDAN-RCS initiative is properly rolled out and ensuring that Indian airlines are granted reciprocal rights granted to foreign carriers in India.

The industry, too, will have to ensure efficiency and profitability in a sector where margins are calculated in decimal points and the room for error is minimal.

But analysts and experts take heart from the fact that there is still massive headroom for growth given that flying is still considered expensive for a majority of India's population.

Spotify is enabling users to become cultural curators

Amarjit Batra is Managing Director India for Spotify. In this interview with 'India Global Business', he gives an insight into online music streaming trends in India and the firm's successful launch in the country.

How does Spotify plan to break through a crowded music streaming market like India?

There are three factors that differentiate us and will help break through the clutter. First, since the day of our launch in India, we've delivered an unparalleled localised and personalised experience, unique to every user, wherein everyone's Spotify home page looks different based on the languages they choose, artists they prefer, and playlists (over 3 billion in number) and songs they listen to. The consumer response to our marketing campaign 'There's A Playlist For That' is a testimony to the relevance of playlists for our users. Second, we have Spotify Free with full control for our users in India, so they can play any song, for free, and as many times as they want. This has been a conscious strategy to introduce the most immersive experience we've offered to our free user, a first for Spotify on mobile, in any country, at launch. This experience, sitting on a slick UI and global addition of more than 30,000 tracks a day, makes the proposition even more appealing. Finally, Spotify's ubiquity is a huge strength, wherein users can connect to multiple devices and platforms, such as Google Maps, Tinder, Xbox etc. seamlessly. Globally, we are available on over 500 products and 200 hardware brands; this is important given that the 18-35 year user base in India is rapidly growing and forms a critical part of the consumption category accessing music through a growing trend in connected devices.

Are Indians getting more payment-friendly when it comes to streaming?

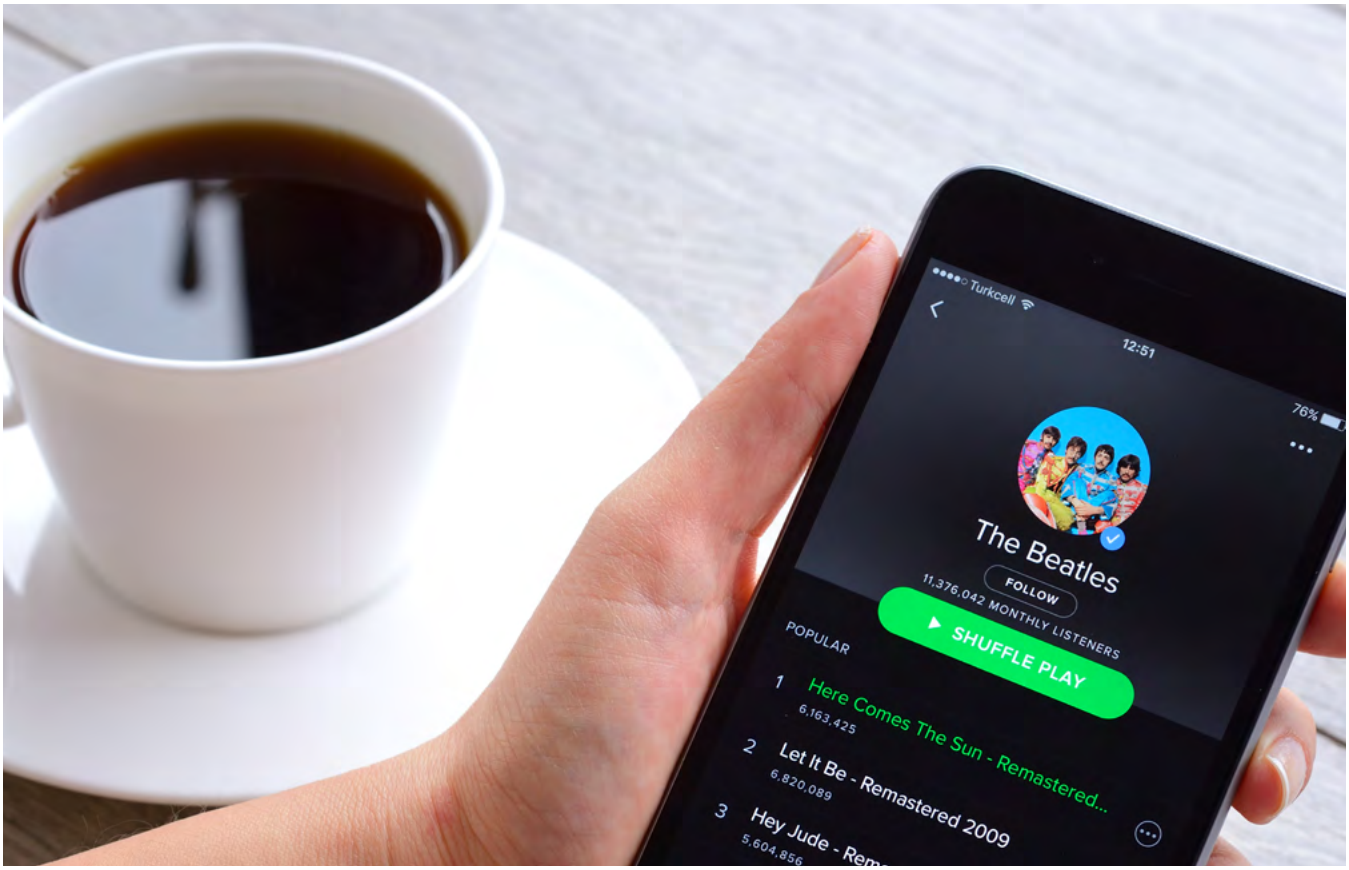
Yes, users are more willing now than they've ever been before. However, there's still a while to go before India becomes a paid streaming heavy market. Though there are over 150 million audio streaming listeners in the country, only 1 per cent actually pay for music, so when we talk about pure potential for growth, it's huge. India is a value conscious market, and I believe that users will pay for an experience they believe is made just for them, ranging from playlists and personalisation to payment options and brand engagement, vs a more generic product experience. According to a 2018 report by IMI (Indian Music Industry) and IFPI (International Federation of the Phonographic Industry), income from subscription audio streams tripled from 2017 to Rs 220 crore; that number should give you a sense of how Indians are starting to consume music digitally. The OTT platforms are a great example of how mindsets have shifted from free and price conscious to value for money, and there's no reason why that wouldn't happen in music streaming, depending on the experience, in app and offline, that users get.

THE 18-35 YEAR USER BASE IN INDIA IS RAPIDLY GROWING AND FORMS A CRITICAL PART OF THE CONSUMPTION CATEGORY ACCESSING MUSIC THROUGH A GROWING TREND IN CONNECTED DEVICES.

What are some of the unique Indian characteristics to consider within this segment?

An interesting insight from our initial research was that user mentality in India has matured from just consuming favourite songs and familiar artists to experiencing music that is more personalised through new taste-specific relevant discoveries. From this, Spotify India brings users a distinctive localised experience right on the app's home-page through unique suggestions that users can access right from day one of coming on board. Additionally, for many users today, music isn't just a recreational experience but has evolved into an integral form of expression and social relevance. This has been the primary insight behind our first marketing campaign in India, run across 10 cities, where we tap into the evolving consumer-music relationship with relatable situations and establish a connection between local cultural nuances and the diversity of playlists we have. Lastly, curation is a big deal for users - Spotify thrives through a growing global community of artists and users actively engaging

THOUGH THERE ARE OVER 150 MILLION AUDIO STREAMING LISTENERS IN THE COUNTRY, ONLY 1 PER CENT ACTUALLY PAY FOR MUSIC, SO WHEN WE TALK ABOUT PURE POTENTIAL FOR GROWTH, IT'S HUGE.



with music, enabling us to offer a curated database of creative playlists unlike anything experienced. We are seeing users take to curation and become becoming cultural curators, in addition to our in-house algorithm-based and editorially curated playlists.

What are some of your magic mantras for global entrepreneurs hoping to crack the Indian market?

Given India's diverse economic potential, it's critical for any entrepreneur to identify their core target audience and customise the product to match market sentiments. The product or service should be a market fit vs a general global one; in addition, hiring a local team and empowering them to take decisions as well as building resilience in the team, are critical. Staying committed to the long-term growth of the market by appealing to consumers through constant innovation, engaging content and working as responsible vested partners in developing the local industry ecosystem, will enable you to succeed.

How important is music to you beyond your work remit?

Much like the vast evolving user base majority, music for me has transitioned into my daily social experiences as it helps brings balance and enhance my daily social moods and moments, especially while praying, working, and relaxing.

What are some life lessons that you believe every business leader should live by?

Three of the most important aspects I believe every business leader should instil in their everyday lives are the ability to evolve, being an informed risk taker, and most importantly continuously learning. First, being adaptable to change is a norm today and if a leader must be open to agility in business to remain relevant to consumers and the ecosystem they operate in. Second, in the grind of operations, it's easy to find a pace that you get comfortable with but informed risk taking ensures you are challenging the status quo. It's that ability to stay focused on one's pursuit that matters most - think of it as running a marathon vs. a sprint. And the most important element of success for a business leader is to continuously learn. Nobody knows everything, so it's important sometimes to unlearn what we know and imbibe the new.

It is time for Indian companies to make a direct connection with Europe

by Glynis Whiting

A policy expert discusses business opportunities and operational challenges faced by Indian companies looking to expand into Europe, especially amidst Brexit.

Brexit is a continuing challenge for businesses in which the most difficult aspect is uncertainty. As I write, there is no solution clearly in sight. The cliff edge of 29 March may be averted, but the schisms marking British politics show no sign of bridging the divides. Business leaders have been stating for a long time that we must "hope for the best, but plan for the worst".

All challenges, of course, also bring opportunities; so let's start by focusing on this aspect.

Trade in goods between the EU and India almost doubled in the last decade and trade in services is also increasing. The EU is currently India's largest trading partner, ahead of China and the USA. At the same time, India is the EU's 9th largest trading partner, accounting for 2.3 per cent of EU's total trade in goods, though well behind the USA (16.9 per cent) and China (15.3 per cent). So, there is much scope to develop further. The EU is the first foreign investor in India, though still well below EU foreign investment stocks in China. Some 6,000 EU companies are present in India, providing directly 1.7 million jobs and indirectly 5 million jobs in a broad range of sectors

The UK has often been the entry point for many Indian businesses into Europe, with many long-standing links and connections already in place – but now may be a good time to reflect on how to make more direct connections with Europe's diverse and arguably fragmented markets – and to capitalise on the benefits of the overall EU Single Market, which, after Brexit, may not remain in place via the UK.

There is certainly a scope to improve: even within the EU's Single Market, only 8.4 per cent of European enterprises are trading across borders. How can we improve on this lamentable figure?

Let's look at how the internet

is changing the playing field for all business. Digital disruption is the name of the game – new opportunities are developing apace online. The internet is growing all the time – not least in India where people are coming online at a rate of three every second. Today, over 465 million people in India have access to the web, and that figure is predicted to double by 2025.

Traditionally, many small businesses have looked to local business networks, such as chambers of commerce, to make business connections. Face to face meetings and networking at chamber events, finding business leads, getting referrals from known contacts are all tried and trusted channels for business development. This can be effective – but also very time consuming and very challenging for business across borders.

With the internet, it is apparently now as easy to do business with companies anywhere in the world as with the traditional connections built over time. However, most of us still prefer to do business with companies we know, like and trust. The internet is open, but how do you know who you are really dealing with? How do you know who to trust?

There is no shortage of online business platforms, in both the public and private sector. As a starting point, the European Commission's Enterprise Europe Network (EEN) may be a useful resource to explore. The Commission has invested considerable resources in the EEN network, to support the internationalisation of SMEs. EEN works with networks in over 50 countries. In India, the Enterprise Europe Network is coordinated by the European Business and Technology Centre (EBTC), along with the Federation of Indian Export Organisations (FIEO) as contractual partner.

For those SMEs who find that public sector support, however well intentioned, can be perhaps rather bureaucratic. In TIAO, we have recently created a new platform which works directly with businesses and local chambers of commerce to put the needs of SMEs first.

DIGITAL DISRUPTION IS THE NAME OF THE GAME – NEW OPPORTUNITIES ARE DEVELOPING APACE ONLINE. THE INTERNET IS GROWING ALL THE TIME – NOT LEAST IN INDIA WHERE PEOPLE ARE COMING ONLINE AT A RATE OF THREE EVERY SECOND.

We are focusing on trust as a core principle, with an ethical approach which we believe will help Europe to set global standards for B2B online platforms.

This is endorsed by recent policy frameworks emerging from the EU regarding Artificial Intelligence. American and Chinese companies already dominate the B2C world online, and are now are gearing up for the current battlefield in AI. In response, the EU is setting out its stall to become a world leader in what it calls "trustworthy" artificial intelligence.

By ensuring AI applications follow ethical guidelines and base decisions on transparent criteria, policymakers believe they can boost consumer confidence in European AI. This could provide the USP or "silver bullet" for the EU against competitors in Silicon Valley and Shenzhen.

In line with this approach, TIAO has designed and built a digital platform which focuses on trust in business connections. TIAO (which stands for Trust Is An Outcome) works with business networks, and in particular local chambers of commerce globally to interconnect their members with each other, replicating their local safe and trusted environment at a global scale. Every chamber provides a local moderator who knows their members, their local market and can provide personal help and expertise. This creates an interconnected global business development platform for SMEs in which trust is inbuilt and decentralised - to create business without barriers anywhere in the world.

Today, we believe our platform is the most efficient and effective way for companies to develop new business relationships in a safe and trusted environment. We provide SMEs with a powerful tool to reach out directly to new clients and trusted suppliers supported by their local Chambers of Commerce, who in turn we enable to reposition themselves as the most effective 21st century gateway for SMEs seeking business opportunities anywhere in the world.

TIAO already has over 10,000 companies on the platform, currently facilitated via British and Belgian chambers worldwide, with members in 23 countries on 4 continents. TIAO is not yet present in India – but we would welcome the opportunity to explore making connections with Chambers of Commerce and directly with businesses in India.

So, whatever the outcome from Brexit, businesses will find a solution: combining the online world with the best of personal connections creates a winning formula for us all.

Glynis Whiting is the Managing Partner of TIAO and former President of the British Chamber of Commerce in Belgium.

Asian firms pour in billions in India

India's finance and communication sectors of high interest to foreign enterprises.

Bytedance plans $1bn investment in India

TikTok's parent company Bytedance has revealed plans to invest $1 billion in India over the next three years. The Chinese IT major will reportedly increase its workforce in India to 1,000 people by the end of this year.

Helena Lersch, Director (International Public Policy), Bytedance, was quoted as saying: " We remain committed to our Indian users. As a company, we are looking to invest $1 billion over the next three years in India, that is how bullish we will remain to be here."

Lersch added that the company has been strengthening its content moderation policies over the last months. The content moderation team in India, which looks at the posts passed by a machine learning tool, is proficient in 14 local languages and can make culturally relevant decisions.

Founded by Zhang Yiming, Bytedance is considered to be one of the world's most valuable start-ups with investors like SoftBank, General Atlantic, KKR and Sequoia backing it. Apart from TikTok, the company provides platforms like Vigo Video and Helo In India for content creation and sharing.

Apis Partners to invest $110mn in L&T arm

Apis Growth Fund II, a private equity fund managed by Apis Partners, is investing $110 million to acquire a minority stake in L&T Infrastructure Debt Fund (L&T IDF), the company said in a statement.

L&T IDF is a subsidiary of L&T Finance Holdings and is involved in refinancing operating infrastructure projects in India. Of the total investment amount, 70 per cent will be in the form of growth capital for L&T IDF and 30 per cent will be earmarked for the purchase of shares from existing shareholders of subsidiaries of L&T Finance Holdings.

Apis' investment in L&T IDF will support the growth of its loan book across a number of infrastructure sub sectors in India such as renewable energy, roads, power transmission, airports and ports. The investment will also strengthen its capital structure and further its technology and digitisation strategy.

L&T IDF currently looks at private sector and PPP (public private partnership) infrastructure projects.

Dinanath Dubhashi, MD and CEO at L&T Finance Holdings Ltd, said: "Our IDF business has built significant strengths in core areas of renewable energy, road and transmission financing, resulting in a high-quality loan book and consistent returns. This partnership with Apis is a reflection of the value creation that the Indian infrastructure financing space offers to investors looking for sustainable returns in the long term."

Matteo Stefanel, co-founder and managing partner at Apis Partners LLP, said: "With India projected to be the fastest growing infrastructure market over the next five years, we are delighted for the fund to invest in L&T IDF. The fund's investment will support the company in its mission of facilitating infrastructure growth, a critical factor for the development of industry, agriculture and trade in emerging markets."

SoftBank eyes $2-3bn stake in Jio

Japan's SoftBank is looking at buying a $2-3 billion stake in Reliance Jio, Reliance Industries' telecom subsidiary and the country's fastest-growing telco.

Mukesh Ambani-led Reliance Industries Ltd (RIL) is interested in deleveraging its balance sheet, and reports of SoftBank's Jio investment follow last week's news that Saudi Aramco is in talks with RIL to pick up to 25 per cent in the latter's refining and petchem business for $10-15 billion.

The retail and telecom arms together contributed around 25 per cent of RIL's 2018-19 revenue.

SoftBank has a mobile telecom business in Japan and also owns Sprint in the US. It also has a 30 per cent stake in Chinese e-commerce giant Alibaba.

RIL Chairman Mukesh Ambani last year announced a plan to integrate the telecom and retail entities through a consumer platform called New Commerce. However, despite analyst speculation that it would be launched this year, the management has not indicated any timeline for the rollout.

RIL has, however, continued to add a number of ancillary tech platforms like Haptik, EasyGov, Saavn and Reverie over the year to create platforms similar to Baidu or Alibaba, which offers e-commerce, entertainment, finance and many other facilities to consumers.

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India picks up speed on key defence pacts

by India Inc. Staff

The recent Lockheed Martin deal illustrates how the new defence policy is changing common perceptions and paving way for India to become a strategic defence partner for the US.

In early April, the US State Department approved the sale of 24 Sikorsky MH-60R multi-mission helicopters to India in a $2.6 billion deal that will significantly improve India's naval firepower.

These Lockheed Martin-built helicopters are designed for hunting submarines as well as knocking out ships and conducting search-and-rescue operations at sea. They are considered among one of the most capable naval helicopters available today that can operate from frigates, destroyers, cruisers and aircraft carriers.

India has been in need of these hunter helicopters for more than a decade now and the addition of these would greatly replenish the country's ageing fleet of British-made Sea King helicopters. It addresses the urgent need of the hour to bolster the naval presence in the Indian subcontinent especially given the aggressive behaviour of China in the Indian Ocean region.

The US Naval Air System Command says the copters nicknamed Romeo are anti-submarine warfare, anti-surface warfare, surveillance, communications relay, combat search and rescue, naval gunfire support and logistics support. In addition to these India also gets 30 APS-153(V) Multi-Mode radars, 60 T700-GE-401C engines, 24 Airborne Low Frequency System (ALFS), 1000 AN/SSQ-36/53/62 sonobuoys, 30 MK 54 torpedoes, 10 AGM-114 Hellfire missiles; 38 Advanced Precision Kill Weapons System (APKWS) rockets, 70 AN/AVS-9 Night Vision Devices, and other equipment and parts.

"This proposed sale will support the foreign policy and national security of the United States by helping to strengthen the US-Indian strategic relationship and improve the security of a major defensive partner," the April 2 release of the DSCA said.

"India is a major defensive partner which continues to be an important force for political stability, peace and economic progress in the Indo-Pacific and South Asia region."

Beyond the immediate bolstering of country's maritime defence system, there are wider ramifications of this deal in the context of India's defence procurement plans especially with regards to current controversies over the Agusta Westland case of 2013 and the Rafale Jet deal of 2016. Any major defence deal in India often gets shrouded in controversy—wanted or unwanted, on various counts of corruption. Such controversies generally lead to a period of hawkishness among the country's political class and bureaucracy that impedes the process of modernisation of equipment for the armed forces.

In the 1980s, the Bofors scandal that implicated some of the top politicians in the country including former prime minister Rajiv Gandhi for allegedly receiving kickbacks for the deal was the first major defence scandal that rocked the nation. In the aftermath of it, jittery politicians dithered over signing any major defence deal and it took more than a decade and the country's non-Congress led government at the centre in the late 1990s for procurement to begin again in the right earnest.

The AgustaWestland helicopter bribery scandal that burst into the open in 2013 raised a spectre of a repeat of the fear psychosis that engulfed the decision makers after the Bofors scandal.

In 2010, the UPA government had agreed to buy 12 AgustaWestland helicopters built by Italian defence manufacturer Finmeccanica (now known as the Leonardo group) for around Rs 3,600 crore. The helicopters were to replace older Mi-8 choppers for VVIP use. In 2013, however, Italian police arrested AgustaWestland CEO Bruno Spagnolini and Guiseppe Orsi, chairman of Finmeccanica, on charges of bribing Indian officials to secure the deal.

In response, India ordered a federal probe into the charges and put payments on hold. The Defence Ministry also deferred discussions this week on another contract to buy 197 light utility helicopters, fueling fears that the controversy may paralyse the government's already painfully slow decision-making process.

ANY MAJOR DEFENCE DEAL IN INDIA OFTEN GETS SHROUDED IN CONTROVERSY—WANTED OR UNWANTED, ON VARIOUS COUNTS OF CORRUPTION. SUCH CONTROVERSIES GENERALLY LEAD TO A PERIOD OF HAWKISHNESS AMONG THE COUNTRY'S POLITICAL CLASS AND BUREAUCRACY THAT IMPEDES THE PROCESS OF MODERNISATION OF EQUIPMENT FOR THE ARMED FORCES.

Subsequently, the CBI alleged that Christian Michel, a middleman in the deal, was paid Rs 295 crore to swing the deal in favour of the Italian manufacturer. Following that, the UPA government cancelled the deal and ordered an inquiry.

When the NDA government took over in 2014 winning outright majority in an election where corruption was a major issue, the AgustaWestland case was still fresh and there were fears defence procurement will again take a back seat. The government, however, did not let the scandal slow down the process of modernisation of the army, which is even more critical today when India's neighbours have become more hostile. Instead, defence deals have grown in the recent past.

India has signed 182 contracts over the last three years with domestic and foreign vendors for the procurement of defence equipment for the three armed services. While 62 contracts were signed for the navy, 79 and 41 contracts were signed for the army and IAF respectively. The defence equipment being bought includes ships, missiles, rockets, simulators, tanks, guns, aircraft, helicopters and radars.

A record 169 of procurement proposals have been approved during the last four financial years with total Acceptance of Necessity (AoN) cost of Rs 2,49,755 crore. Indents have been placed for 105 mm light field guns and electronically upgraded 155 mm guns on Ordnance Factory Board. The government has also accorded approval for acquiring new artillery guns through five procurement cases.

Further, the government has also shown its pragmatism by not holding AgustaWestland to ransom forever even as it will ensure that corruption would not go unpunished. Within three months of coming to power, the government removed the ban on the two companies—AgustaWestland and Finmeccanica, that was placed by the UPA government. It also encouraged the firm to participate in its "Make in India" programme on 3

INDIA HAS SIGNED 182 CONTRACTS OVER THE LAST THREE YEARS WITH DOMESTIC AND FOREIGN VENDORS FOR THE PROCUREMENT OF DEFENCE EQUIPMENT FOR THE THREE ARMED SERVICES. WHILE 62 CONTRACTS WERE SIGNED FOR THE NAVY, 79 AND 41 CONTRACTS WERE SIGNED FOR THE ARMY AND IAF RESPECTIVELY.

March, 2015 and was subsequently allowed to invest in the country in October 2015 by the Foreign Investment Promotion Board. Today it is manufacturing 100 AW119 fighter helicopters for India while it also bagged a new contract to build 100 navy choppers for India in 2017. At the same time, proceedings against the scandal have not slackened as Michel was extradited to India in December last year.

The road to fully modernising and equipping the armed forces to face the myriad challenges faced by the country on land, in air and on water is a long one. The current situation is not very flattering. A report of the 2017-2018 Parliament's Standing Committee on Defence (PSCOD) cited a deposition of the Vice Chief of the Army, stating, "Typically, any modern armed forces should have one-third of forces, one-third of its equipment in the vintage category, one-third in the current category, and one-third in the state of the art category. As far as we are concerned, the state today is 68 per cent of our equipment is in the vintage category, with just about 24 per cent in the current, and eight per cent in the state-of-the-art-category."

The Indian Navy alone is grossly under-equipped. For its burgeoning fleet, it needs over 230 new helicopters, estimated to cost over $10 billion. It currently operates only 11 Kamov-28 and 17 Sea King ASW helicopters, and even out of these about half of each type are not flightworthy.

Though the need was evident, India has always dithered at what needed to be done for reasons cited before. For example, it abandoned plans to procure 16 US-made Sikorsky S-70B-x helicopters in 2016, although the purchase had already been cleared in 2014 by India's Defence Acquisition Council (DAC) and the price negotiations had gone on for close to a decade. The S-70B-x are similar to the MH-60Rs being bought today and produced by the same company—Lockheed Martin, but the fresh deal is an indication India has learnt its lessons from the past and wants to move quickly to close the deals.

The helicopters would be the first major defence acquisition project under new Indian Ministry of Defence (MoD) strategic partnership (SP) guidelines published in June 2017 for a new strategic partnership policy under the framework of the Defence Procurement Procedure 2016.

On a broader scale, the overall cost of buying new fighter aircraft, antitank missiles, maritime patrol aircraft, infantry combat vehicles, helicopters, assault rifles and submarines — will be about $100 billion spread over more than a decade. While traditionally each defence deal itself has taken an average of 8-10 years frustrating foreign vendors, the new procurement procedure seeks to change that perception.

The helicopters should show us how.

Local giants expand their global footprint

Indian companies eyeing healthcare and automobile sectors overseas.

Cipla to pick up stake in Brandmed

Mumbai-headquartered drugmaker Cipla Ltd said that it is acquiring a 30 per cent stake in South African company Brandmed (Pty) Ltd for $4.6 million (65 million rands or Rs 32 crore) to increase its exposure to the connected healthcare segment.

In February, Cipla had announced a similar partnership in India with Wellthy Therapeutics to offer a clinically-validated digital disease management platform to patients in the cardio-metabolic segment.

The latest transaction is being executed via Cipla's African arm Cipla Medpro South Africa (Pty) Ltd (Cipla Medpro), according to a stock-exchange filing. Besides the upfront cash payment, the transaction also involves milestone payments spread over three years on meeting profit targets.

Founded in 2014, Brandmed has developed an integrated solution to address outcomes and value-based care for patients with chronic lifestyle and non-communicable diseases such as hypertension, diabetes, high cholesterol, asthma and chronic obstructive pulmonary disease. It clocked revenues of just $36,000 for the year ended February 28, 2018.

Paul Miller, chief executive of Cipla Medpro, said: "This transaction will help to transition healthcare from being reactive to a proactive and real-time monitoring model that focuses on promoting wellness instead of managing illness."

Reliance Retail in talks to buy Hamleys

Reliance Retail, a subsidiary of India's largest conglomerate, Reliance Industries Ltd (RIL), is in talks to acquire a controlling stake in iconic UK-based toymaker Hamleys.

Hamleys is currently owned by Chinese fashion conglomerate C Banner International, which had acquired it for £100 million in 2015. C Banner also owns the Chinese units of marquee consumer retail brands such as Steve Madden and Sundance. It has been looking to cut its losses and sell off Hamleys after logging heavy losses.

If the deal goes through, it would cap the story of the 295-year old toymaker, which has struggled to generate profits in recent times.

Reliance Retail already has a pan-India franchise agreement with Hamleys to merchandise its famous toys. Hamleys has around 129 stores globally, a large majority of which are under the franchise model. Besides the UK, the company is present in China, Germany, Russia, India, South Africa and the Middle East, among other regions.

Reliance Retail plans to increase the toymaker's geographic footprint in India if the deal goes through.

Royal Enfield enters South Korean market

Indian bike maker Royal Enfield said it has forayed into the South Korean market. The company, part of Richer Motors, has entered the country by opening its first flagship store in Seoul with Vintage Motors (Kiheung International) as its official distributor partner.

Vimal Sumbly, Business Head, Royal Enfield APAC, said: "Our focus is to sustain and expand our reach in international markets especially in Asia Pacific region."

He added that Korea is an important chapter in the growth story and the company is thrilled to commence business there.

The strategic announcement is in line with Royal Enfield's focused international thrust of leading and expanding the global mid-sized motorcycle segment (250-750cc).

The company has already entered various markets globally over the last few years.

Learning innovation in Indian banking and financial services

by Asish K. Bhattacharyya and David Veredas

The recent collaboration between IMT Ghaziabad and Vlerick Business School aims to equip students with a global vision and a local sensibility.

Just as financial business leaders think worldwide, business schools must also think worldwide. It is a fact that best business schools are global, with campuses in different continents. Their best financial degrees are often in a partnership with other schools located overseas. Alliances between schools from different continents are built for offering the best international experience to their best students, which often translates into jobs with high salaries that, in turn, affects positively the rankings. Executive education does not know borders, with short and tailored programs that take place anywhere in the world. Last but not least, the reach of the growing market of digital learning is truly overarching and its full potential remains to be seen.

The relation between rankings and internationalisation and diversity is ubiquitous across the entire spectrum of a business school's activities and stakeholders: junior and senior students, short and long programs, professors, staff, governance, alumni, accreditations, etc. Internationalisation and diversity are therefore a mindset that affects all the decisions of a business school.

ALLIANCES BETWEEN SCHOOLS FROM DIFFERENT CONTINENTS ARE BUILT FOR OFFERING THE BEST INTERNATIONAL EXPERIENCE TO THEIR BEST STUDENTS, WHICH OFTEN TRANSLATES INTO JOBS WITH HIGH SALARIES THAT, IN TURN, AFFECTS POSITIVELY THE RANKINGS.

In addition, the way learning occurs in business schools is shifting. Nowadays, a strong emphasis is put on learning, as opposed to traditional teaching, because teaching does not equal learning. Learning means evolution, and we know that evolution only happens with active participation in class. In some sense, we come back to the tenets of the Bauhaus school of arts, where art and design theory was combined with workshops. The student is at the centre of the learning journey, as learning requires experimentation that makes learning stick.

In this context, the Institute of Management Technology in Ghaziabad, Uttar Pradesh, and Vlerick Business School in Belgium have joined forces to co-develop the Post Graduate Degree on Management focused on Banking and Financial Services (PDGM BFS). This is a 2-year full-time program that offers a fine-tuned curriculum, combining courses on general management, fundamentals and advances on banking and financial services, and digital transformation.

The mission of the PGDM BFS is to support the banking and financial service industry with professionals. The combined knowledge of a European and an Indian business school prepare students to act locally and think globally.

The banking and financial services industry is going since the 2008 great financial crisis through remarkable change. Banks and financial institutions are more supervised, quality standards have risen, digitisation is here to stay, systemic non-financial risks are emerging, and sustainability has become part of the strategic decisions, even at Board level. These four trends are global. The banking and financial service industry needs professionals that do not only know about the core business, but also about the best international practices, sustainability, and digital transformation that challenge traditional business.

Indeed, investment in IT and technologies has grown significantly in the banking and financial service industry: fintech, insurtech, crypto, cyber security, blockchain, ICO, AI, and predictive analytics are omnipresent buzz words in the industry. The applications of these technologies grow exponentially, and the most lucrative businesses of financial institutions are under threat by new disruptive tech savvy entrants.

In parallel, the banking and financial service industry needs to comply with regulations that increase both in number and complexity. These regulations are not only in terms of capital requirements, but also in terms of cyber security, data privacy, and transparency, to name a few.
The risk management function is entering in a new phase, with a focus on emerging non-financial risks, like cyber, and risks that before occurred rarely but they are today the central scenario, like climate and environmental risks. This calls for strengthening the early stages of identification and prevention of non-financial risk, building resilient systems that can withstand significant disruption and long periods of distress.

Social and sustainable responsibility is at the forefront of financial decision making. Old business models are no longer the reference point. New ways of social and inclusive thinking, as well as sustainable investments

that bring value to the clients and shareholders, while protecting our planet, are becoming the bread and butter of the banking and financial service industry.

These four global trends are also present in India. The Indian banking and financial services sector serves the fastest growing economy in the world. India is expected to achieve a growth rate of around 7 per cent per annum for some years to come. The banking and financial service sector in India has traditional public sector banks, new entrants, and international banks, which can now set up fully-owned subsidiaries, which can operate like Indian banks.

The financial sector is at crossroads. The Reserve Bank of India is formulating policies to increase competition, digital growth is disrupting exiting business models and breeding a new set of technology-savvy customers, and adoption of best regulatory and sustainable practices developed in advanced economies are changing risk-management models. While all those changes pose threats, they also provide huge opportunities. Old Indian players have to make bold moves and relatively new players have to master the Indian contexts to build world-class finance companies.

All this means that the banking and financial services industry needs committed and skilled managers who are able to set the strategic direction for their company and serve as real change agents in this period of transformation. There is a need for new executives that turn threats into opportunities. Professionals that, in the current volatile economic, environmental, and political landscape, are prepared to be agile, adapt, and stay close to their customers and society at large at all times.

David Veredas is Full Professor at Vlerick Business School; Prof. Asish K. Bhattacharyya is Director, IMT Ghaziabad.

Onshore, nearshore and offshore are all important to IT strategy

by India Inc. Staff

U.B. Pravin Rao is the Chief Operating Officer (COO) of Infosys and has been with the Indian software major since the 1980s. In this interview with 'India Global Business', he traces some of the company's major milestones, the impact of artificial intelligence and robotics, and developments in the field of cyber security.

What are some of the key sectors of focus for Infosys in international markets like the UK? Is the ease of movement of IT professionals a concern within this context?

Financial Services, Insurance, Healthcare, Retail, Energy, Utilities and Manufacturing are the key sectors of focus for us in the UK. We see a strong demand environment for Enterprise digital transformation capabilities in these sectors not just in the UK but across the US, Europe and Asia Pacific.

We are providing services and expertise in an area in which the UK has an acknowledged skills deficit. The gap in demand and supply leads us to conclude that the UK will continue to need short-term migration from other countries to bridge the technology skills gap. It is important that the UK remains open and attractive to the talent needs in order for the digital sector to grow, innovate and remain competitive. We use visa systems across the world to support the mobility of our employees and the UK system is one of the best-run and most effective systems.

At Infosys, we have a very strong localisation plan and therefore we do not see stricter visa curbs in certain developed markets as an impediment for growth. We are committed to driving digital transformation for European enterprises by leveraging local talent alongside the best global talent.

AT INFOSYS, WE HAVE A VERY STRONG LOCALISATION PLAN AND THEREFORE WE DO NOT SEE STRICTER VISA CURBS IN CERTAIN DEVELOPED MARKETS AS AN IMPEDIMENT FOR GROWTH.

The onshore/offshore model is a thing of the past as the Glocal model takes centre stage in IT services. How has Infosys helped shape this concept of localisation with global considerations around the world?

Localisation and infusing local talent are important elements of Infosys' strategy. To meet the new age- digital transformation needs of our clients, having skilled talent locally in the markets, working in close proximity with our clients is very critical.

If you take the example of the UK, in the autumn of 2017, we announced the acquisition of Brilliant Basics, a London-based Digital Innovation and Customer Experience Studio. This acquisition represented our commitment to the expansion of a worldwide connected network of Digital Studios. These studios are focused on fulfilling the needs of our global clients for end-to-end Digital Transformation solutions required to meet customer demand for next-generation enhanced customer experiences.

In Europe, we have established a Digital Centre of Excellence in Marseille, which will house a number of technology-driven showcases such as the Digital Farm, Future of Learning and Retail and Warehouse experiences. We also opened a new digital studio in Berlin, powered by

AS TECHNOLOGY SHIFTS GAIN RAPID ACCELERATION, WE ARE DRIVING TALENT RE-SKILLING AT SCALE FOR OUR OWN EMPLOYEES AND FOR OUR CLIENTS' ORGANISATIONS IN THE NEW AREAS OF DIGITAL SERVICES.

Brilliant Basics, that will help further strengthen our digital offerings to our European clients. We also announced the acquisition of Fluido, the leading Salesforce advisor and consulting partner in Nordics and a recognised leader in cloud consulting, implementation and training services.

In the US, which is our largest market, we recently acquired Wongdoody, a US-based, award-winning, full-service creative and consumer insights agency. We also announced a new Technology and Innovation Hub in Richardson, Texas, which will include recent graduates from the state's prestigious network of colleges, universities and community colleges who will benefit from upskilling through our world-class training curriculum. This new Hub comes on the back of Technology and Innovation Hubs, in Indianapolis, Indiana and in Raleigh, North Carolina. We have also announced additional Technology and Innovation Hubs in Hartford, Connecticut and Phoenix, Arizona, and a unique hub in Providence, Rhode Island, featuring our Design Accelerator in partnership with the Rhode Island School of Design.

Looking further afar, in Australia, we have started our localisation drive where we have committed to creating 1,200 jobs in the country, spread over three innovation hubs by 2020. The new Innovation hubs will serve as a platform to enable Infosys to co-create and co-innovate alongside clients, academia and government to accelerate innovation and upskilling of talent in emerging technologies and solutions.

To sum it, we have an ever-expanding global network of technology & innovation hubs and design studios – offering onshore, nearshore and offshore capabilities to meet our clients' partner needs.

What is the scope of AI and robotics and how much of Infosys' R&D focus is in this area? How do you see machine learning transforming the job market of the future?

Enterprises need AI for complex modelling of a problem, based on a detailed understanding of the existing business processes and wider business challenges. Currently, Infosys is working with global clients to use AI to address a variety of business challenges. One of our key solutions today is Nia, which brings together big data/analytics, machine learning, knowledge management, cognitive automation, NLP (natural language processing), and more, into one single platform that is flexible and modular to changing business needs. By unifying all these aspects, Nia enables our customers to capitalise on the wealth of data and intelligence available to them—and apply enormous processing power to support and drive creative decision making.

An exponential adoption of new technologies is leading to a wide digital talent gap. As technology shifts gain rapid acceleration, we are driving talent re-skilling at scale for our own employees and for our clients' organisations in the new areas of digital services. At Infosys, we have created programs across multiple dimensions.

Lex is amongst the recent initiatives that Infosys has taken up. Micro and macro learning modules in the new technology areas have been rolled out for our employees. Through our 'lab on cloud', employees are able to develop skills in the technology they are learning. Deep programs in full stack development across multiple technology stacks, programs in autonomous development, data science and a host of digital technologies are available for our employees. Recently, we launched a program on digital in collaboration with the Rhode Island School of Design where the first set of cohorts are going through their training.

How are Indian software companies like Infosys staying ahead of the curve on issues such a data and cyber security? Can they offer the world some untapped solutions in this area?

For most enterprises, application security remains an afterthought until a breach happens. The need of the hour is for flexible and adaptive security solutions, delivered in an integrated package that can be consumed 'as-a-service' through a simple engagement model with commercial flexibility.

Infosys offers security as a service, through the Infosys Cyber Security Platform, built with AI-driven automation at its core, to help CIOs and CISOs transition from a fragmented and reactive approach to a managed security services model with a customised roadmap. Infosys Security Operations Centers (24x7 SOCs) bring together best-in-class skills and a constantly updated solutions suite along with managed services for noiseless security operations delivered round-the-clock through a world-class, network of interconnected, global facilities.

Additionally, Infosys Engineering and Research Labs offer access to advanced threat hunting capabilities and the latest in technology innovations for cyber security. This is Infosys' investment in continuously improving its core services portfolio, expanding its offerings into new potential threats, and leveraging our innovation ecosystem to co-create solutions that can deepen the value Infosys delivers.

Asian outreach at an all-time high for Indian firms

Tech deals in India's neighbourhood bear fruit in recent weeks.

Foxconn to begin mass production of iPhones in India

Terry Gou, Group Chairman, Foxconn Technology, said the iPhone will go into mass production in India this year, a shift for the largest assembler of Apple Inc.'s handsets that has long concentrated production in China.

Gou said that Prime Minister Narendra Modi has invited him to India as his Taiwanese company plans its expansion in the country. Apple has had older phones produced at a plant in Bangalore for several years but now will expand manufacturing to more recent models.

Foxconn already has two assembly sites in the southern Indian states of Andhra Pradesh and Tamil Nadu, where it makes devices for Xiaomi and Nokia. Locating more production in India would help diversify Apple and Foxconn's manufacturing footprint away from China amid ongoing trade tensions with the U.S.

The Indian assembly line of Foxconn's Hon Hai Precision Industry Co. would serve local and export markets by the time Apple announces its next iPhone models in September, people familiar with the matter have said. The Taiwanese contract manufacturer, the biggest maker of iPhones, will initially invest about $300 million to set up for Apple with investments to ramp up as capacity expands.

Gou said that his company is talking with the government about investment terms. He has a dozen software people in India and he plans to increase that to 600. Producing phones locally would also help Apple's retail push in India.

Samsung SDS, Tech Mahindra partner for blockchain platform

Samsung SDS, the software and IT service solutions arm of Korean tech giant Samsung, has announced a collaboration with Tech Mahindra, itself a subsidiary of Mahindra Group, that will see the launch of its Nexledger blockchain platform in India.

Tech Mahindra, a market leader in digital transformation services and solutions, will offer Samsung SDS's Nexledger platform in both the Indian and global market, paving the way for enterprises to leverage the platform's flexible and scalable, blockchain-driven capabilities.

In its press release, Samsung SDS highlighted blockchain as a key focus area for both firms in 2019, with the collaboration seeking to take advantage of their respective strengths across various regions and markets.

Mahn Chey, President of Samsung SDS India, said: "As a company that believes in the value the blockchain technology will bring, Samsung SDS has dedicated its efforts to develop a blockchain platform, Nexledger, that meets the enterprise needs in the business sector.

"Together with Tech Mahindra, we look forward to delivering blockchain powered digital transformation to our clients."

Customers using Nexledger can tailor its use to their specific requirements, with the ability for developers to choose from a plethora of blockchain technologies, including Hyperledger and Ethereum among others.

Tata Technologies partners FutureMove Automotive

Tata Technologies said it has inked a pact with China's FutureMove Automotive to develop connected mobility solutions for automotive manufacturers in China and other markets.

The companies signed a memorandum of understanding on the sidelines of the Shanghai Motor Show 2019.

Warren Harris, CEO and MD, Tata Technologies, said in a statement: "The relationship with FutureMove will combine Tata Technologies' market-leading connected car service offerings with the platform and technology of FutureMove to provide a suite of services to the Chinese automotive industry."

Tata Technologies has strong capabilities in delivering end-to-end vehicle programmes. With over 9,000 professionals, the company serves clients in 27 countries from its 17 global delivery centres across Asia-Pacific, Europe, and North America.

On the other hand, FutureMove Automotive, with its digital and mobility services, is a strategic partner to Tata Technologies' customers in Mainland China, Hong Kong, Macao and the US.

Through the agreement, the two companies will integrate technologies, products, solutions, and resources to respond to demands within the automotive industry.

The joint strategy will help support their clients across the globe by providing the capacity, capability, competitiveness and a range of innovative solutions for future mobility and ensure their leadership in the industry.

Tata steels against hurdles in the path of European merger

by India Inc. Staff

Tata Steel's joint venture plans with German steel giant ThyssenKrupp struggle to clear strict European Union (EU) competition norms.

German steel giant ThyssenKrupp recently confirmed that it has submitted a comprehensive package of proposed solutions to the European Commission to obtain clearance for the merger of Thyssenkrupp Steel Europe and Tata Steel Europe.

The Commission had opened an "in-depth" investigation into the proposed merger in October last year amid concerns that the deal between two of the world's major steel players may reduce competition in the supply of various high-end steels. Following an agreed extension in March for further negotiations, ThyssenKrupp confirmed that it had submitted a "substantial" offer to the European Commission – the executive arm of the 28-member economic bloc.

"As we see it, our proposals cover all the concerns expressed by the Commission. The offer is extensive and substantial. At the same time, it is acceptable to the joint venture partners and no risk to the industrial logic of the joint venture," said Guido Kerkhoff, CEO of ThyssenKrupp.

While the details of the proposals are yet to be revealed, the Indian and German steel majors are believed to have offered to sell assets in Belgium, Spain and the UK to win the EU's approval for the proposed joint venture.

The European Commission is expected to review the latest set of proposals and announce its decision by June 5.

The latest development comes at a crucial point for the Tata Group's steel arm, which is banking on its European joint venture (JV) to help set the company on track after suffering from worldwide knocks to the global steel industry over the past few years.

THE EUROPEAN COMMISSION SAID ITS INITIAL MARKET INVESTIGATION RAISED SEVERAL ISSUES, RELATING IN PARTICULAR TO COMBINING BOTH COMPANIES' OFFER OF CERTAIN SPECIALTY FLAT CARBON STEEL AND ELECTRICAL STEEL PRODUCTS.

Competitive issues

The European Commission had opened an "in-depth investigation" to assess if Tata Steel's proposed joint venture with ThyssenKrupp would breach European Union (EU) merger regulations.

"Steel is a crucial input for many of the goods we use in our everyday life, and competitive steel prices are vital for the European economy," said Margrethe Vestager, Commissioner in charge of the EU's competition policy.

"Industries dependent on steel employ over 30 million people in Europe and we must be able to compete in global markets. This is why we will carefully investigate the impact of the planned combination of Tata Steel's and ThyssenKrupp's steel businesses on effective competition in the steel markets," the Danish politician noted.

Tata Steel and ThyssenKrupp are major integrated producers of flat carbon steel and electrical steel, with significant production facilities in the European Economic Area (EEA), in particular in Germany, the Netherlands and the UK. With the transaction announced in June, Tata Steel and ThyssenKrupp plan to combine their European carbon steel and electrical steel businesses in a joint venture.

The European Commission said its initial market investigation raised several issues, relating in particular to combining both companies' offer of certain speciality flat carbon steel and electrical steel products. The specific categories it highlighted as areas of concern include steel for automotive applications, which concerns various types of steel, predominantly

galvanised, that are used to produce cars and car parts; metallic coated steel for packaging, which is used to produce various packaging solutions, such as food and aerosol cans; and grain oriented electrical steel, which is used to produce a variety of engineering products such as transformers.

The Commission said it is concerned that, following the transaction, customers would face a reduced choice in suppliers, as well as higher prices.

“These customers include various European companies, ranging from major corporations to numerous small and medium-sized enterprises (SMEs). Many compete with imported products in the EEA, or export their products outside Europe and compete globally,” the Commission said in a statement.

Timeline

The Tata-ThyssenKrupp transaction was notified to the European Commission on 25 September 2018 and both companies chose not to submit commitments during the initial investigation to address the Commission's preliminary concerns.

Under EU rules, the Commission has a duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

It was in June 2018 that Mumbai-headquartered Tata Steel had confirmed that it has agreed to the terms of a 50-50 joint venture with ThyssenKrupp to create Europe’s second-largest steel company, after Lakshmi Mittal’s ArcelorMittal. The proposed JV firm called ThyssenKrupp Tata Steel, which had been under discussions since September 2017, will have a total workforce of 48,000 employees spread across 34 sites, producing about 21 million tons of steel a year with revenues of around €15 billion.

Tata Steel chairman N. Chandrasekaran had said at the time of the announcement: "The joint venture will create a strong pan-European steel company that is structurally robust and competitive."

Fortune revival

The Indian steel major has been working hard to reverse its fortunes in the UK/Europe market and celebrated a new start at one of Britain’s largest steelworks – at Port Talbot in Wales – at the start of this year with the re-launch of a blast furnace at a cost of “tens of millions of pounds”.

The life extension project of Blast Furnace 5, described by Tata as the “biggest single investment” in its European operations in over five years, is seen as a critical part of its long-term strategy to strengthen its operations in the UK.

“This project demonstrates our commitment to building a stronger and more sustainable steelmaking business in the UK, now and in the future," said Hans Fischer, Chief Executive of Tata Steel's European operations.

In reference to the impact of Brexit on the company’s operations, he added: “When you look to our production, more than 70 per cent stays in the UK. So directly the impact of Brexit is maybe not that big.

"But if our customers are impacted very heavily then that immediately leads to a disturbance in the supply chain and that immediately leads to disturbances in our productions as well. In the short term that's what I'm really worried about.”

The Blast Furnace 5 project, announced in June last year alongside the definitive agreements between Thyssenkrupp and Tata Steel to form a joint venture of their European steel businesses, was hailed as a major turning point for the Indian company and its employees. Tata Steel remains one of Europe's leading steel producers, with steelmaking in the Netherlands and the UK and manufacturing plants across Europe. The company claims to supply "high-quality" steel products across different markets such as construction and infrastructure, automotive, packaging and engineering.

“The EWC will continue to support the joint venture only if we consider it to be in the best interests of the workforce at all our sites,” warns Tata’s European Works Council (EWC), which includes German, UK and Dutch labour unions.

The next few weeks will prove crucial in Tata Steel bringing all the stakeholders on board to complete its European adventure.

The future is already here

Joyeeta Das is the Founder and CEO of Gyana. In the interview with 'India Global Business', the tech entrepreneur shares her thoughts on the current and upcoming trends in tech.

How has Big Data and AI evolved in the context of Gyana?

It has always been a problem of scale. Also, techwise, we had to invent the stack as there is no ready-made software stack for deep learning on geospatial data. Currently, we are leading this space and have two patents on this.

How did the Silicon Valley experience feed into your serial entrepreneurship streak?

It helped to have met globally successful and hardworking entrepreneurs. Their maverick and rebellious attitude is very inspiring and infectious.

What excites you about the world of tech and how does it connect with your other passions?

Tech is not a separate world for me, it is the only one I know. I live, breathe, sleep tech. My world is pretty much just one filter. I also love to know about deep sea diving and marine mammals.

Where do you see the next big tech idea coming from?

'The future is already here - it is just unevenly distributed'. I think it's all here - from alternative currencies to connected cars to thin wearables to voice embarked tech to facial and voice recognition to deep fakes and robots - the future is right here and exponentially evolving.

How do you react to some of the hyperbole around robots taking over human jobs?

Well, they certainly will take over receptive tasks as that is the whole point. However, more jobs will be created in other spheres that we didn't think before. For instance, 10 years ago, Airbnb 'operator' wasn't a thing and yet many small hotels lost out to them. So new areas will develop for sure.

I THINK IT'S ALL HERE - FROM ALTERNATIVE CURRENCIES TO CONNECTED CARS TO THIN WEARABLES TO VOICE EMBARKED TECH TO FACIAL AND VOICE RECOGNITION TO DEEP FAKES AND ROBOTS - THE FUTURE IS RIGHT HERE AND EXPONENTIALLY EVOLVING.

How connected do you feel to the Digital India programme as a Global Indian?

It is wonderful to see Initiatives like these that can accelerate and change the face of this highly capable nation. It is a future forward step and I wish it all the success it truly deserves. I am hoping corporates and HNWI and governments will pool in resources to make it a big one.

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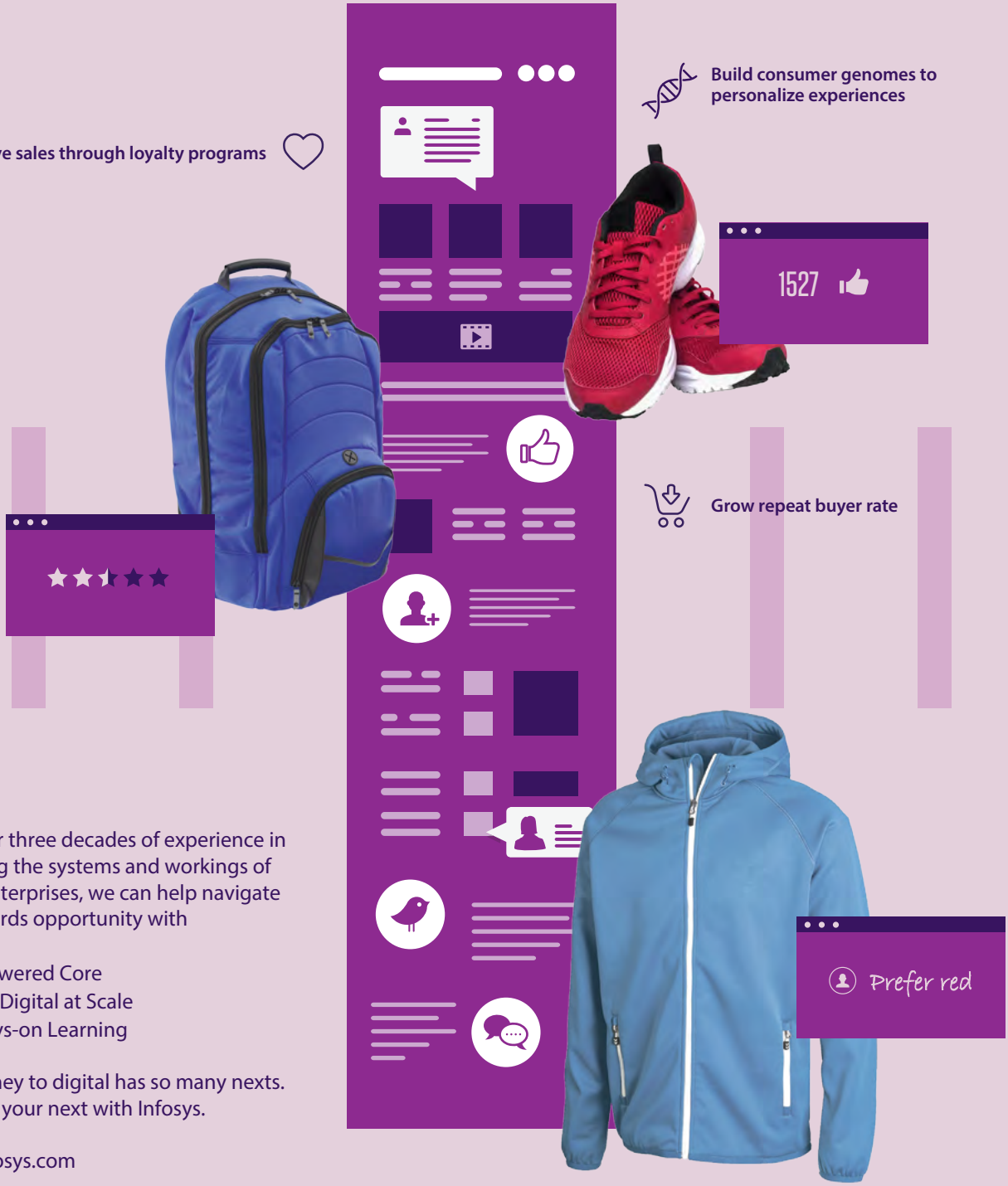

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New Brunswick: India's Nearshore Gateway to North America

by Jean-Paul Robicheau

The Opportunities New Brunswick (ONB) team highlights the prospects offered by the Canadian province presents for companies looking to expand in North America.

The world's most successful companies are taking advantage of the nearshore value proposition offered by the Canadian province of New Brunswick. Advantageously located on Canada's beautiful East Coast, the province easily enables international companies to support their global footprint and service clients across North America and Eurasia in the same business day. Combine that advantage with low costs of doing business and everything is in place to be successful operating from New Brunswick.

Businesses in established and emerging sectors are taking note of New Brunswick's prime location. From IT and cyber security to financial services and fintech to advanced manufacturing and digital health, the province's location, infrastructure, research capacity, and wealth of talent are attracting a critical mass of world-class businesses.

World-class companies are choosing New Brunswick

KPMG has named New Brunswick cities among the lowest cost jurisdictions overall among Canadian and US-featured cities. When total operation costs such as lease, labour, utilities and taxes are considered, New Brunswick is the lowest cost option.

The province's strategic nearshore value proposition has attracted many of the world's top outsourcing service providers like HCL Technologies, Hinduja Global Solutions (HGS), Xerox, CGS, and IBM. Recent arrivals to the province include Chennai-based Sedin Technologies and West Bengal's Lateetud.

July 2018 saw Tech Mahindra, one of India's largest IT companies, select New Brunswick as the location for its strategic nearshore solution. "The inauguration of our centre in New Brunswick marks a new milestone for Tech Mahindra's international footprint and underlines the strong spirit of co-operation with the local authorities," said company president Ritesh Idnani. "This is an exciting growth hub globally and offers enormous opportunity for not just Tech Mahindra, as one of the leading

BRANDS LIKE UPS AND EXXONMOBIL AS WELL AS MOST OF CANADA'S MAJOR BANKS NOW HAVE STRATEGIC NEARSHORE SHARED SERVICES CENTRES IN NEW BRUNSWICK SERVICING THEIR NATIONAL AND INTERNATIONAL FOOTPRINTS.

companies in business process services, but also the community at large."

In addition, Tech Mahindra's parent company, Mahindra & Mahindra, recently became a strategic partner of New Brunswick-based Resson, a predictive analytics start-up company helping crop growers make better decisions and increase productivity.

And it's not just technology companies — brands like UPS and ExxonMobil as well as most of Canada's major banks now have strategic nearshore shared services centres in New Brunswick servicing their national and international footprints. TD, one of Canada's largest international banks, announced in April 2018 the creation of a New Brunswick-based nearshore centre that will employ over 1,000 people.

The province's IT and financial services sectors benefit greatly from colocation with the most vibrant cyber security sector in Canada.

A cyber security leader

New Brunswick was quick to recognise the value presented by the cyber security sector and Opportunities NB (ONB), as the province's lead business development agency, has focused our efforts — via our CyberNB division — on attracting leading cyber security companies and creating a more robust talent pipeline.

New Brunswick was the first Canadian province to launch a comprehensive cyber security strategy. It is designed to strengthen and expand a world-class industry cluster led by IBM — whose global cyber security practice reports in to its New Brunswick office — and leverage the incredible work being done at the University of New Brunswick (UNB) in Fredericton, the province's capital city.

The past twelve months alone have seen tremendous growth in this sector with both Canadian Nuclear Laboratories and Siemens announcing new cyber security operations in Fredericton. To keep up with growth, ground has broken on the first new 12,150 sq. metre building of 'Cyber Park', specially designed to meet the needs of the city's cyber security cluster.

Our Critical Infrastructure – Security Operations Centre (CI-SOC) project is unique in establishing a high level of collaboration between ecosystem partners from New Brunswick and beyond. It enables interconnected participating SOCs to collaborate in gathering, coordinating, and consuming cyber security intelligence, producing high quality-threat intelligence for coordinating responses.

We Understand the Importance of Immigration

New immigration rules in the United States are causing some of the most dynamic companies in the world to re-think where they establish new operations in North America.

To capitalise on increased interest in Canada, New Brunswick is involved in the Atlantic Immigration Project, a unique employer-driven approach to attracting and retaining top international talent from around the globe. This is just one example of the many programs and solutions the ONB team can lead companies through to ensure they hit the ground running in New Brunswick. In fact, both Tech Mahindra and HCL have already relocated several employees and their families to New Brunswick.

Companies like Toronto-based Dream Payments and Silicon Valley's RevJet have also brought new arrivals to New Brunswick from Asia and Eastern Europe.

New Brunswick understands the critical importance of companies accessing great local and international talent. That is why ONB created a Workforce Strategy Team to support clients' workforce development and talent recruitment efforts. ONB is one of the only economic development organisations in North America to offer this unique value-added service.

Companies can turn to our Workforce Strategists for guidance and support on several immigration-related needs, including:

1. Immigration solutions for current staff looking to make the move to New Brunswick.
2. Finding the best international talent to further expand their team.
3. Retaining international students on a permanent basis.
4. Helping newcomers connect with multicultural associations and find housing.

In addition, the province's three largest cities, Saint John, Moncton, and Fredericton, offer business immigrant mentorship programs (at no charge) to assist immigrants looking to launch a new business.

OUR CRITICAL INFRASTRUCTURE – SECURITY OPERATIONS CENTRE (CI-SOC) PROJECT IS UNIQUE IN ESTABLISHING A HIGH LEVEL OF COLLABORATION BETWEEN ECOSYSTEM PARTNERS FROM NEW BRUNSWICK AND BEYOND. IT ENABLES INTERCONNECTED PARTICIPATING SOCS TO COLLABORATE IN GATHERING, COORDINATING, AND CONSUMING CYBER SECURITY INTELLIGENCE, PRODUCING HIGH QUALITY-THREAT INTELLIGENCE FOR COORDINATING RESPONSES.

Incredible quality of life

Multiple New Brunswick communities have been ranked among the best places in the world to live. The beautiful seaside community of St. Andrews was recently named the top Canadian destination by USA Today. Enjoying a desirable work-life balance is easy on Canada's East Coast. Your employees can be 10 minutes from work and 10 minutes from hiking, biking, the ocean and some of Canada's mightiest rivers. The province has three gorgeous coastlines: The Bay of Fundy (featuring the world's highest tides), the Bay of Chaleur, and the Northumberland Straight.

New Brunswickers have welcomed newcomers from India and around the globe with open arms and celebrate the diversity these people bring to our province. Cultural markets across New Brunswick showcase local offerings as well as food and beverages from around the world. Most cities have multicultural festivals in the summer and a host of multicultural associations offer settlement services to help your employees with the transition to life in Canada.

Jean-Paul Robicheau is Vice-President – Investment Attraction at Opportunities New Brunswick (ONB).

Creating lasting change in India through diaspora-giving

The British Asian Trust works with business to tackle poverty and build brighter futures

The British Asian Trust thinks differently

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Women in India's poorest communities can earn 7x the informal wage

by Alexie Seller

Empowering women as agents of change can change the future for millions of Indian families living in poverty.

Before Rukhashana Parveen joined Pollinate Group just over one year ago, she had never held a formal job. As a mother of two children who attend primary school, Rukhashana became interested in working with Pollinate Group to become more independent, while supporting her family.

Rukhashana sells products such as solar lights and water filters to improve the lives of her peers living in the poorest communities in Kanpur. Even though she did not complete schooling, Rukhashana was our first agent to sell a solar fan in Kanpur and has become a consistent top sales performer in the city.

Pollinate Group was formed from a merger in 2018 between the award-winning organisations Pollinate Energy in India and Empower Generation in Nepal. In India, Pollinate Group serves transient, forgotten and hard to reach communities (also known as slums) in Bangalore, Hyderabad, Kolkata, Lucknow, Kanpur and Tumkur.

We empower women, like Rukhashana, as agents of change. The women earn respect and income while becoming inspiring role models who raise awareness about better alternatives in their communities for cleaner energy, safe water and hygiene.

To make the products Rukhashana sells affordable for customers living in extreme poverty we offer cash-based payment plans, which have a default rate of less than 2 per cent. Our customers report saving time and money as the main benefits, as well as improved health and more comfortable living conditions.

We have reached more than 555,000 customers across India and Nepal and, by replacing toxic kerosene with solar light products, customers have saved $16.7 million in energy costs and more than 65,000 tonnes of CO2 emissions.

The pathway for women to earn more

Unlike other last-mile distributors in India and around the world, Pollinate Group has a pathway for women in

poverty to earn up to 7x the informal wage. Our customer service focus, including after sales support, is also a key differentiator and advantage to help break the cycle of poverty in the communities we serve.

The pathway for women to earn higher incomes evolved from our merger: integrating the success of the Indian operations and employed agents, technologies and processes with the women-focused, entrepreneurial approach from Nepal.

For years, the India team struggled to bring women into sales roles, as the job has high barriers to entry; full-time hours, travel and evening community visits. But now, this has changed.

To start on the pathway, we recruit and train women in slums to sell low-cost products, like mosquito repellent and sanitary pads. These women are essentially entrepreneurs who can graduate to run their own business distributing products or move into employment with us. In addition to selling low-cost products, the entrepreneurs can earn commission by referring high-cost products, such as mixer grinders, to employed agents like Rukhashana.

As women develop business skills, they also proactively sharing ideas on the products they need. This has created new insights into our markets and influenced our product range. Research has also shown that men typically look towards products with higher entertainment value, whereas women prefer investing in products that increase economic empowerment, save money, and ensure a healthier home environment. These are investments that truly change the future for millions of Indian families living in poverty.

Our initial recruitment of women from India's slums saw 11 women participate, with seven now actively selling in their communities. One woman already wants to become a full-time agent like Rukhashana.

This approach for women in India has been the most successful strategy we have employed to address the women empowerment, community engagement, product market knowledge and logistics challenges we faced in the past.

In December 2018, one of our Bangalore agents, Jaggan, earned a record of $5000 (Rs 3.68 lakh) in one

THE COMBINATION OF OUR MERGER, INVOLVEMENT FROM KEY PARTNERS AND IMPACT MODEL ARE PROGRESSING US TOWARD OUR 2020 GOALS TO RECRUIT, TRAIN AND SUPPORT MORE THAN 1,000 WOMEN, POSITIVELY IMPACT MORE THAN ONE MILLION PEOPLE, AND REACH MORE THAN 4,000 FAMILIES EVERY MONTH.

month. This result is an inspiration for women like Lakshmi, a new entrepreneur in Bangalore.

Lakshmi was recruited by Jaggan in September last year and has already been involved in peer to peer mentorship and in-field support from our team. When Lakshmi first bought a solar light for her family five years ago, she dreamed of a better future for her children. Now, she dreams of a better future for herself - including moving her family into an apartment and starting her own successful business. We will help her get there.

Recruiting and training more women for increased impact

Many women in the communities we serve are members of the informal economy, where jobs are not taxed or monitored by the government. Pollinate Group provides meaningful work and new opportunities for India's ragpickers and domestic, construction and garment workers.

In 2019 we aim to recruit and train 100 women and expand our training program, taking more women along the pathway to benefit from opportunities like financial security, college education for their children and progression to management roles.

Key to this work is a partnership project involving Pollinate Group, Kalpavriksha Greater Goods (Nepal distributor), Greenlight Planet and the Australian Department of Foreign Affairs and Trade (DFAT). This partnership supports not only recruitment and training efforts for additional women, but will bring their participation to close to 50 per cent of our agents across India.

Every Indian can make an impact

In addition to the impact on communities and women as change agents, Pollinate Group builds the next generation of social leaders through fellowship programs. More than 600 professionals and students from India and around the globe have experienced social business in India, testing and evaluating programs to improve the welfare of people in slums.

In response to demand, Pollinate Group recently launched an Executive Leadership Program for leaders in India and from around the world. The exclusive program in Bangalore provides time with executive peers in a collaborative exchange. Rather than a typical seminar, the program will immerse executives in self reflection with a discussion of topics such as equality and inclusion in a safe environment. Participants will also have an immediate impact on slum communities and Pollinate's operations.

Another project we are embarking on in India involves urban and rural customers to better meet their needs. Through our research, we've identified a key trend, where customers not only buy products for their own use in urban communities, but many take products back to their native places—the rural villages from which many of our customers emigrate from.

Slum populations currently make up 17-24 per cent of India's urban residents. By 2050 the United Nations predicts India's urban population to be 814 million, or 50 per cent of the population. We look at these forecasts as an opportunity to continue to serve urban poor and their rural connections, with the intent to provide ongoing opportunities for women and their communities.

In the near term, the combination of our merger, involvement from key partners and impact model are progressing us toward our 2020 goals to recruit, train and support more than 1,000 women, positively impact more than one million people, and reach more than 4,000 families every month.

But perhaps the impact of our work today and in the future is best summarised by Rukhashana's children: "Mum is happier since she started working for Pollinate, she is now able to buy us clothes, shoes and even a bicycle." says her daughter Misbah. Her son Hasnain shares, "It makes us happy that she can now take care of all of us and that she can be independent."

Alexie Seller is the CEO and Co-Founder at Pollinate Group and an internationally recognised social entrepreneur.

India is a treasure trove of excellent craftsmanship

Carl Morenikeji is the Managing Director and Founder of Scaramanga. In this interview with 'India Global Business', the Scottish lifestyle brand's owner talks us through the brand's journey since conception.

How did the idea of Scaramanga come about?

I spent six months travelling across India in1998 and fell in love with the traditional craftsmanship practised and handed down the generations in artisan communities across India, particularly in rural areas.

I brought back an old leather satchel from Jaisalmer, handbound journals from Udaipur and a few small old wooden boxes from Jodhpur, Rajasthan. People loved everything I bought, and I felt there was an opportunity to start a business selling handmade leather bags and decorative items made by skilled craftspeople as well as sourcing vintage furniture.

So, in 2006, I took £2,000 and a couple of empty suitcases to India and sought out craftspeople who would use the same traditional tools, techniques and methods to recreate modern leather satchels. Fast-forward 13 years and we offer a wide range of vintage inspired classic leather bags and accessories and vintage, antique and repurposed furniture, and an eclectic range of decorative homewares. We even sell old doors and windows.

What makes India an important sourcing destination for you?

India is our only source of leather bags. We moved the bag making from Jaisalmer to Kolkata eight years ago after our small-scale maker struggled to make the quantities we needed after a demand for satchels went through the roof. Kolkata offers us a great quality and range of leathers and a highly skilled workforce. We use a semi vegetable-tanned buffalo leather which uses fewer harmful chemicals and is finished with natural waxes, oils and dyes. The result is a unique durable vintage style leather that looks better as it's used. We work with a small maker who employs 15 skilled artisans who are organised into small work units that are responsible for making small quantities from start to finish. We work mutually to improve production quality and that often involves discussions with their work units.

A lot of our furniture comes from Jodhpur, which is renowned for being the biggest and best place to buy vintage, antique and repurposed furniture in Asia. Interiors from all over India can be found in the city. We buy from established dealers and sellers most of whom we have been buying from for over 10 years. We

have developed a very close working relationship with the businesses we trade with and they know what to look out for us when they are buying. Most importantly they know how we like our furniture restored so that it retains its character, patina and history. I look for quality materials and appreciate craftsmanship and artistry when buying furniture.

With the design scene gearing more towards minimalism and tech-enabled homes, are vintage interiors and elements making a comeback?

Yes, there has been a big trend towards creating eclectic home interiors. People want real homes that reflect their personalities. So, an eclectic style is about blending old and new from different eras to create a look that is a mix of contrasting elements. That means things don't have to match. Uniqueness and individuality are prized rather than complying with any particular style. People are drawn to pieces that have character and have an interesting narrative. Old and original Indian interiors whether traditional tribal, functional metal industrial or simple homewares such as boxes and cabinets work very well with interiors from other styles and eras. A 50-year-old Indian barber's shaving box can sit on a shelf next to a Victorian statute and next to modern coloured glass bottle in harmony.

UNIQUENESS AND INDIVIDUALITY ARE PRIZED RATHER THAN COMPLYING WITH ANY PARTICULAR STYLE. PEOPLE ARE DRAWN TO PIECES THAT HAVE CHARACTER AND HAVE AN INTERESTING NARRATIVE.

We work with hotels, bars and restaurants to source unique furniture that enables them to create unique destinations and locations with real character and an identity that is different from others.

How important is the supply of props to the film industry to the model?

It's not a huge part of the business, but it's getting bigger and, of course, it's very exciting. We work with action props buyers from around the world who are tasked with finding props for movies and TV dramas and shows. They are usually looking for items that need to have a very particular look and perform an exact role and they almost always want the props on set within 48-hours. We specialise in antique luggage, wooden chests and padlocks. Over the last 10 years, we have gained a reputation for supplying props buyers for films including The Hobbit, Paddington 2, Abdul and Victoria, Tarzan and any more. It's very satisfying to spot our pieces on the big screen. We're about to announce our 10th blockbuster film in a few weeks.

Have you noted a trend for the items being in demand back in a source country, like India?

Yes, the trend of authentic vintage and antique furniture and interiors can be seen in India. From the bars and restaurants in Mumbai and Bangalore to boutique hotels, havelis and palaces in Rajasthan. There they are recreating the opulent interiors of a bygone era. It is fantastic to see the level of attention to detail and effort put into sourcing furniture and interiors. I know that there is a growing trend for homeowners in Mumbai to mix older Indian furniture with more contemporary styles.

What is the road ahead for the brand?

We are continually launching lifestyle ranges that complement our brand values of being unique, handmade and classically designed. We have rugs and indoor plant pots arriving for Spring. I would like to see us grow the wholesale side of Scaramanga. We're working with a growing number of travel and marketing companies to offer branded leather accessories. Our small in-house design team works with our makers to design unique functional leather goods for their customers. There's a great opportunity to expand the wholesale and trade interiors part of the business with the trend for vintage and recycled furniture. I have a good network of antique and vintage furniture dealers and sellers, which means we have access to well-priced vintage furniture.

UK university partnership helps build homes in Gujarat to counter flood risk

by India Inc. Staff

The Global Indian effect was at work when De Montfort University in Leicester's Square Mile India project celebrated new homes for communities near Ahmedabad.

A partnership between a UK university and property consultancy celebrated the creation of new homes in Gujarat through fundraising and staff and student participation.

De Montfort University in Leicester (DMU) tied up with local construction and infrastructure consultancy Pick Everard for its Square Mile India project to provide 50 new homes for the "Loving Community," on the outskirts of Ahmedabad. The community is populated by more than 430 residents, 40 of which are former leprosy sufferers.

"Working with the 'Loving Community' has not only been transformational for the families involved but also our architecture students," said Mark Charlton, associate head of public engagement at the university, to mark a year since the project began.

"The homes are funded through support from Pick Everard and contributions from DMU staff and students, as well as the local community in Leicester and we are thrilled with the positive impact that this collaboration has brought to the 'Loving Community,'" he said.

EACH HOUSE COSTS APPROXIMATELY £5,000 AND THE DESIGNS INCLUDE THE POTENTIAL TO BE ENHANCED FURTHER WHEN FUNDING IS AVAILABLE TO FAMILIES

Due to poor infrastructure and local topography, the community is prone to flooding during the Monsoon period and many people have to leave their homes as they become uninhabitable. Since February last year, DMU's School of Architecture has been working in collaboration with architect Anand Sonecha to develop designs to raise the homes above flood level. Construction began in April 2018, with the cost of the works being met by fundraising.

Each house costs approximately £5,000 and the designs include the potential to be enhanced further when funding is available to families, the university said.

"An architect's job is to design buildings and create the physical environment in which people live. But the most successful architecture goes beyond building four walls – it changes people's lives, and this project reflects that," said Nish Tailor, an architectural assistant at Pick Everard, who has been helping the

students project-manage the building work.

"The 'Loving Community' residents had to fend for themselves after being outcast by society more than 40 years ago. Despite no longer being contagious due to the disease being treated, the stigma surrounding leprosy is so strong that they are still not welcome in their native villages," Tailor said. The homes are funded through support from Pick Everard and contributions from DMU staff and students, as well as the local community in Leicester – a city with a significant Gujarati-origin population.

Paul Rothera, national director at Pick Everard, said: "The development of the new houses has been tremendous. There are no shortcuts in the construction and the quality is superb."

Among the first residents to benefit were widow Narshama Bhan and daughter Akshera, who are relieved that the new homes will not flood, have light and space and even their own courtyard area, the university said.

Speaking through an interpreter, Narshama said: "Before I was so fed up and tired and every monsoon it was a very bad and unhealthy situation for all of us.

"I never had a thought, or even a dream that I would be living in such a nice home. I thank the Lord that finally I have a nice home."

DMU Vice-Chancellor, Professor Dominic Shellard, originally conceived the idea to draw on the skills and experience of students and academics on the architecture course to address a very local Monsoon related issue.

He said: "Because the community is situated in the bed of an old river, the Monsoon waters in May and June rise up through the floor of their dwellings. This means the people living there have to move out and sleep on the floors of a community centre for several months.

"I felt that trying to provide a solution to enable the community to remain in their homes through the Monsoon season was exactly the kind of project that DMU and Square Mile India should embrace."

The DMU Square Mile India has been created to give an overseas dimension to DMU Square Mile, which has been using the skills of students and staff to help the community in Leicester since 2011. The Indian project began in the slums of Ramapir No Tekro in Ahmedabad, which is home to 160,000 people who live in the same amount of area as the 7,000 living in Leicester's Square Mile.

Health programmes such as carrying out eyesight and hearing tests are and work on schemes to improve water supplies and drainage by engineering students are some of the activities undertaken.

Students and staff from the university regularly travel to India to work with children from some of the area's poorest communities. Flood-risk homes are being rebuilt, children are getting an education that would otherwise be denied them, people are getting tests that improve their hearing and youngsters are getting dance and drama lessons, claims the university.

The cost of work in India has been met by fundraising carried out by DMU students, staff and friends of the university, with activities being held on campus, including a sponsored abseil. People can also donate to the Square Mile India Fund to provide essentials such as books, school equipment, access to medicine, and sports and games equipment for young people.

Most recently, the UK's Enterprise Rent-A-Car Foundation donated £2,000 to DMU Square Mile India after hearing of its work in Gujarat.

Amy White, Deputy Head of Public Engagement at DMU, said: "We are extremely grateful to Enterprise Rent-A-Car for its support of DMU Square Mile India. This contribution will be used to support our work in Gujarat which we know is already making a difference to so many people."

China tacitly accepts problems with BRI, reaches out to the world

Allies stand by India as it turns away from China's Belt and Road Initiative (BRI).

In line with the Narendra Modi government's policy of zero compromise on issues related to India's sovereignty, India stayed away from the second Belt and Road Initiative (BRI) summit that was held in China recently.

India's raison d'etre for staying away was the same as last time — the centrepiece of BRI, the China-Pakistan Economic Corridor (CPEC), passes through Gilgit and Pakistan-occupied Kashmir, thus, impinging on Indian sovereignty.

But New Delhi will feel partially vindicated by the noticeable softening of China's stand on several questions raised by India and like-minded nations such as the US, Japan and the EU.

Addressing 37 heads of government, the United Nations Secretary-General and the Managing Director of the International Monetary Fund, Chinese President Xi Jinping made a very public commitment that "transparency" and "greater debt sustainability" will be the new guiding principles of projects under BRI.

India has, from the outset, been very critical of the lack of transparency in BRI projects in Sir Lanka, the Maldives and elsewhere. In fact, these two countries, as well as Malaysia, Myanmar and the Philippines are reviewing some of these projects, which many experts say, are beachheads for a thinly disguised Chinese strategy aimed at gaining strategic and military advantage especially in the Indo-Pacific region.

Although India has not articulated it in so many words, statements from the Ministry of External Affairs have clearly articulated New Delhi's concerns over the sovereignty of recipient countries getting compromised.

And on the lines of Western criticism of BRI, but independent of them, the Indian government has been critical of BRI's project architecture. It is wary of Chinese companies being awarded humungous projects of doubtful economic viability that leave small countries with a mountain of debt owed to Chinese institutions. This debt rap is then used to arm twist these governments to cede control of strategic assets to Chinese firms a la the Hambantota port in Sri Lanka.

SINCE NONE OF THESE BODIES WILL BET THEIR LAST PENNY ON ONE PROJECT, THAT STILL LEAVES A MASSIVE FINANCING GAP THAT WILL HAVE TO COME FROM OUTSIDE

Perhaps aware that there is merit in these arguments against BRI, especially after facing a backlash against what are seen as vanity projects serving little local purpose in a number of countries, Xi spoke forcefully about his commitment to zero corruption and vowed to build what China's arch-rival Japan calls "quality infrastructure".

Clearly, India's boycott and Japanese, US and EU trenchant criticism of BRI has prompted a critical rethink by China on how this multi-trillion-dollar project is perceived around the world and especially in recipient countries.

Some experts view this measured charm offensive by Xi as an acknowledgement that Beijing may have overplayed its hand with BRI and committed itself to building projects that are beyond its capacity to finance.

It was announced at the summit that Chinese companies have so far invested $90 billion in various recipient countries. Then, the BRICS Bank, which is effectively under Chinese control, can lend $150 billion and the Silk Road Infrastructure Fund another $40 billion.

According to Gavekal Research, one of the world's leading independent providers of global investment research, China's state-controlled financial sector extend a maximum of another $600 billion.

Since none of these bodies will bet their last penny on one project, that still leaves a massive financing gap that will have to come from outside…

China will, obviously, want countries such as India, Japan, the US as well as the EU to join in. It already has Italy on board and will hope to break the ranks of the holdouts over the next few years.

It will, therefore, be prudent for the US, Japan and India — which have been discussing an alternative, more inclusive, global infrastructure building initiative — to move quickly to get the plan off the ground. Indian Prime Minister Modi and his Japanese counterpart Shinzo Abe discussed this at their meeting in Tokyo last October.

There will be a battle of attrition over BRI between China and its allies on the one hand and the free world on the other. The second BRI summit has set the stage for that.

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