

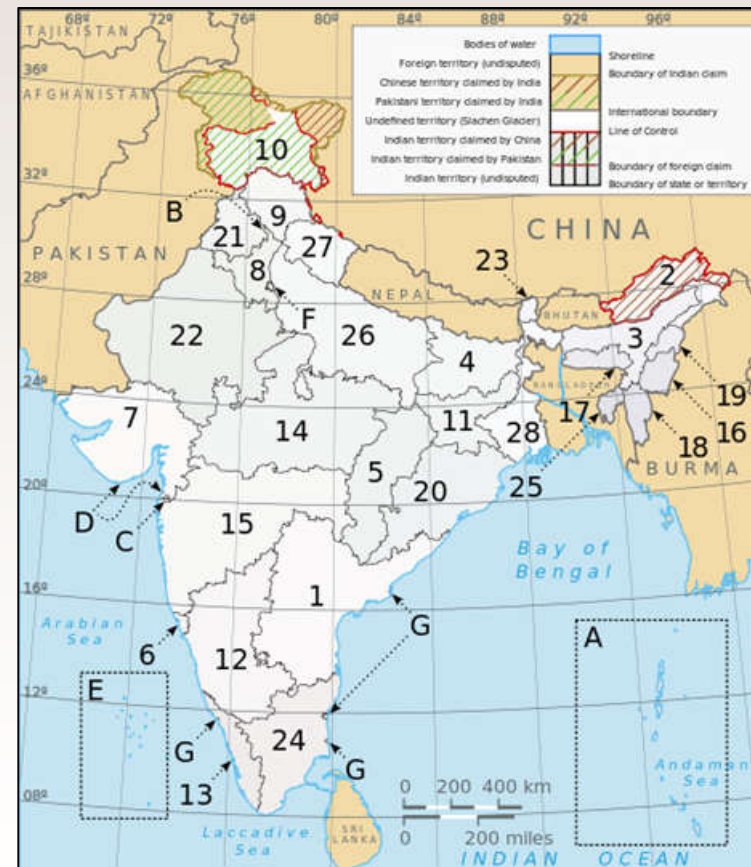
India

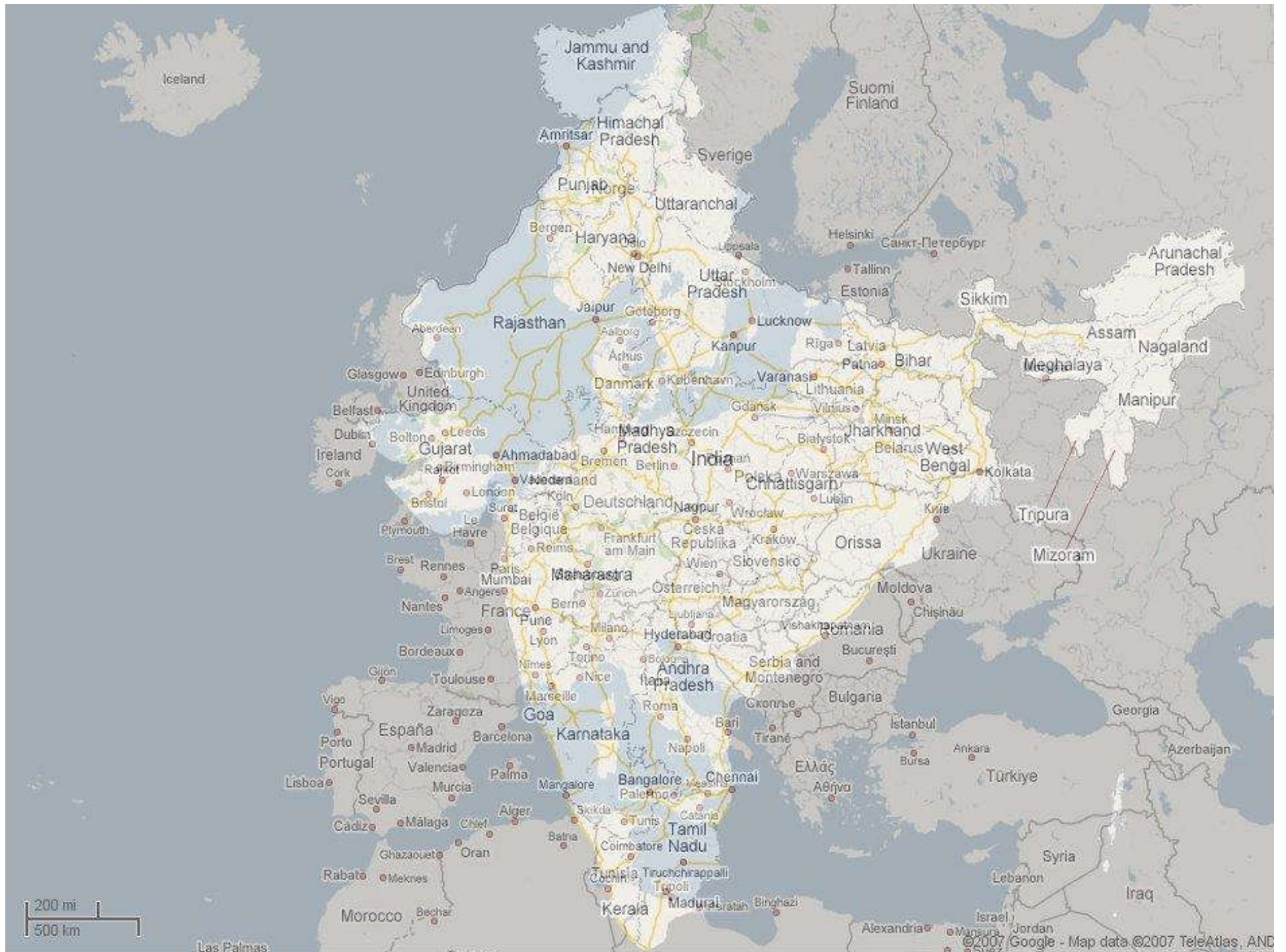


Daniel Machlis, James Hu, Jaiashree Tiwari

Republic of India

- 2011 Census Population: 1,210,193,422
- Capital: New Delhi
- Largest City: Mumbai
- 80.5% of Indians are Hindu and 13.4% are Muslim
- Indus River Valley civilization is one of the oldest human settlements





Iceland

Jammu and Kashmir

Suomi Finland

Himachal Pradesh

Sverige

Punjab

Uttaranchal

Haryana

Uttar Pradesh

Rajasthan

Gujarat

Maharashtra

Madhya Pradesh

Chhattisgarh

West Bengal

Bihar

Orissa

Andhra Pradesh

Karnataka

Tamil Nadu

Kerala

Arunachal Pradesh

Sikkim

Assam

Nagaland

Meghalaya

Manipur

Tripura

Mizoram

United Kingdom

Ireland

France

Germany

Italy

Spain

Portugal

Belgium

Netherlands

Denmark

Poland

Czech Republic

Austria

Slovakia

Hungary

Croatia

Slovenia

Serbia and Montenegro

Bulgaria

Romania

Ukraine

Moldova

Georgia

Azerbaijan

Turkiye

Morocco

Syria

Lebanon

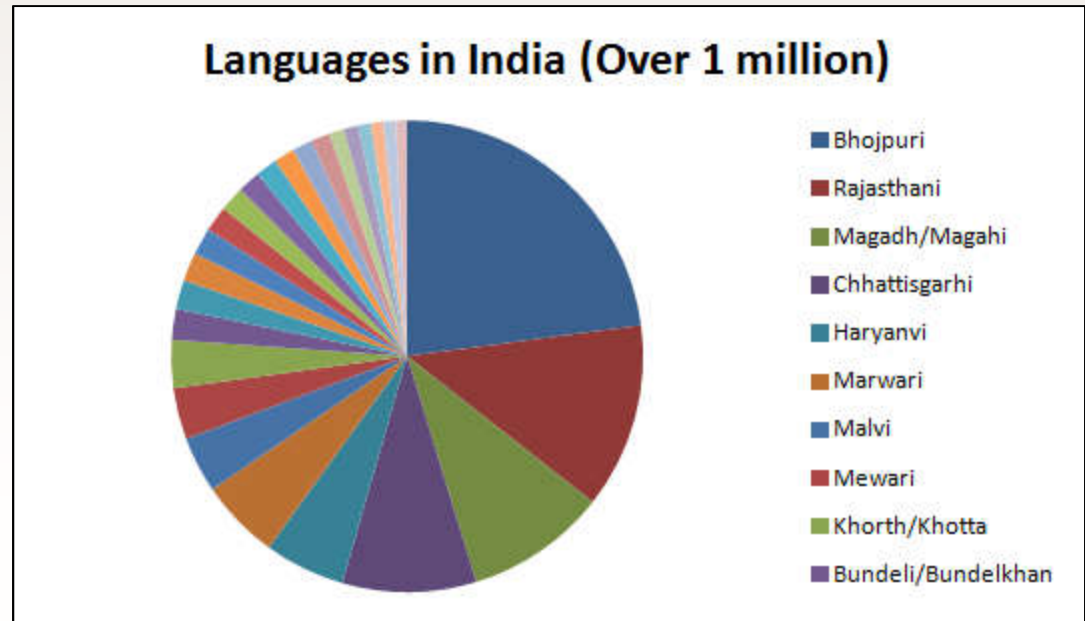
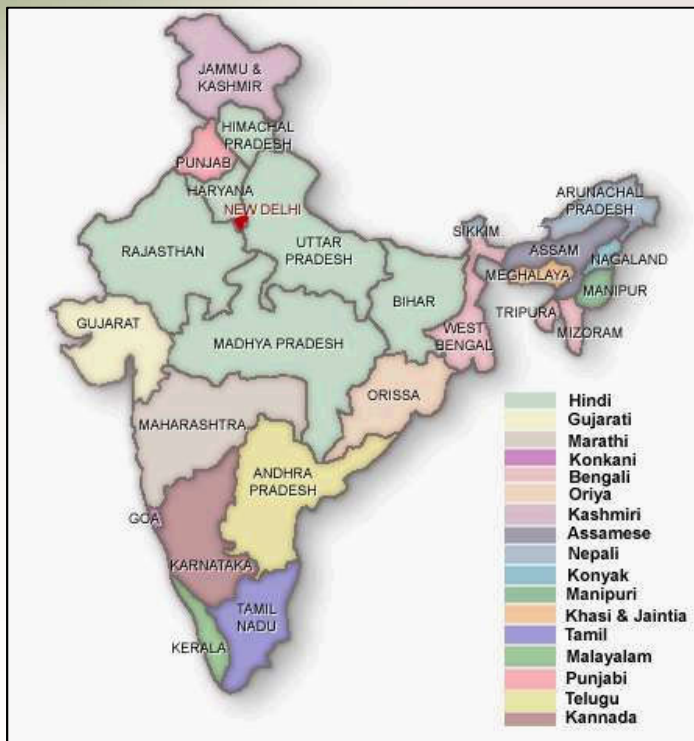
Iraq

200 mi
500 km

©2007 Google - Map data ©2007 TeleAtlas, AND

Languages of India

- 1961 Census - 1652 languages
- SIL Ethnologue - 415



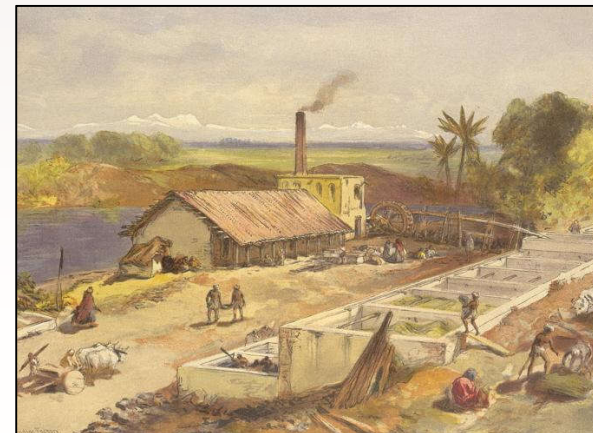
Geographic Diversity

From tropical humid climate to mountainous cold region



Colonial Rule

- East India Company Rule
 - 1612-First trading post
 - 1773-Official rule began, capital in Calcutta
 - Monopoly of trade in India
 - Charter of 1813
 - Capital: India->Britain
 - Sepoy Rebellion of 1857 led to the end of Company Rule
- British Raj
 - Crown rule began in 1858



1947-1991

- Independence/Partition of India in 1947
- 1st Prime Minister: Jawaharlal Nehru
- Import Substitution Industrialization
- Central Planning (Soviet-inspired 5 year plans)
- License Raj





"I cannot decide how much to borrow, what shares to issue, at what price, what wages and bonus to pay, and what dividend to give. I even need the government's permission for the salary I pay to a senior executive."

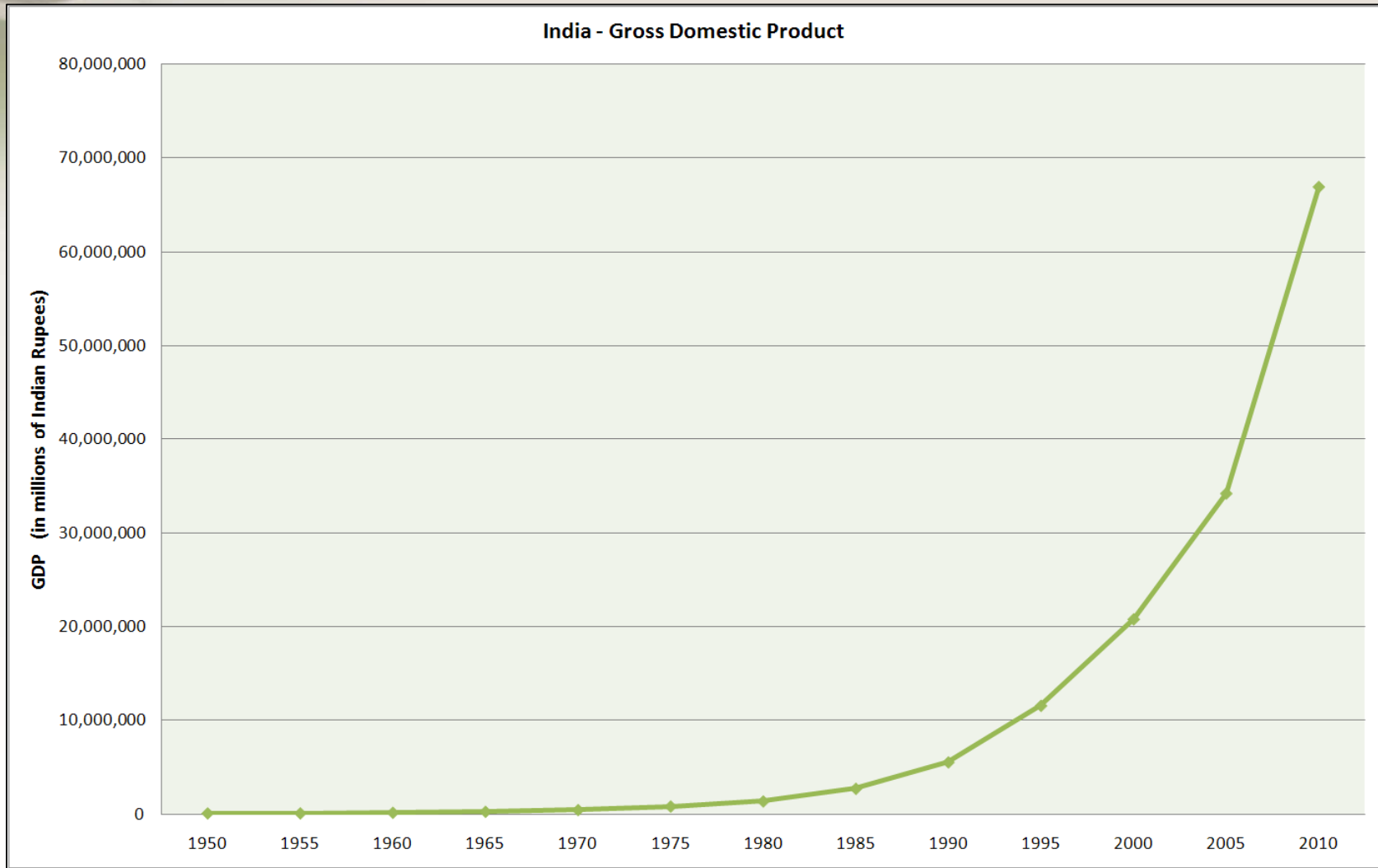
-J.R.D. Tata, 1969

1991 Reforms

- Finance Minister Manmohan Singh
 - Reduced tariffs and opened up India to trade
 - Encouraged foreign direct investment
 - Privatization
 - Eliminated large sections of the "License Raj" bureaucracy
 - Supported entrepreneurs



India's Growth



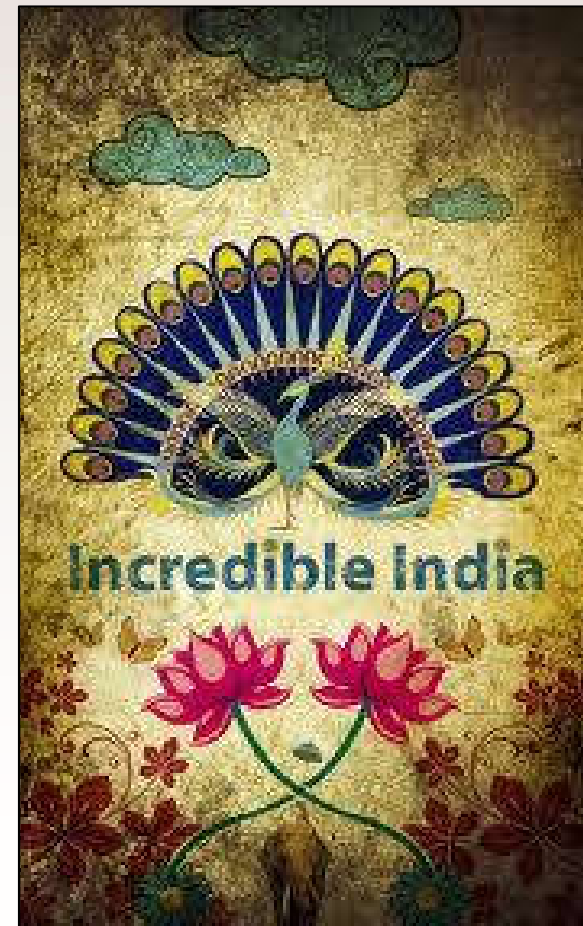
India Today



Travel & Tourism

Incredible India Campaign

- 6.7 million 'Foreign Tourist Arrivals' in 2012 vs. 2.4 million in 2002
- Generated \$121 million (approx. 6.4%) of India's GDP in 2011
- Larger than education sector or mining sectors



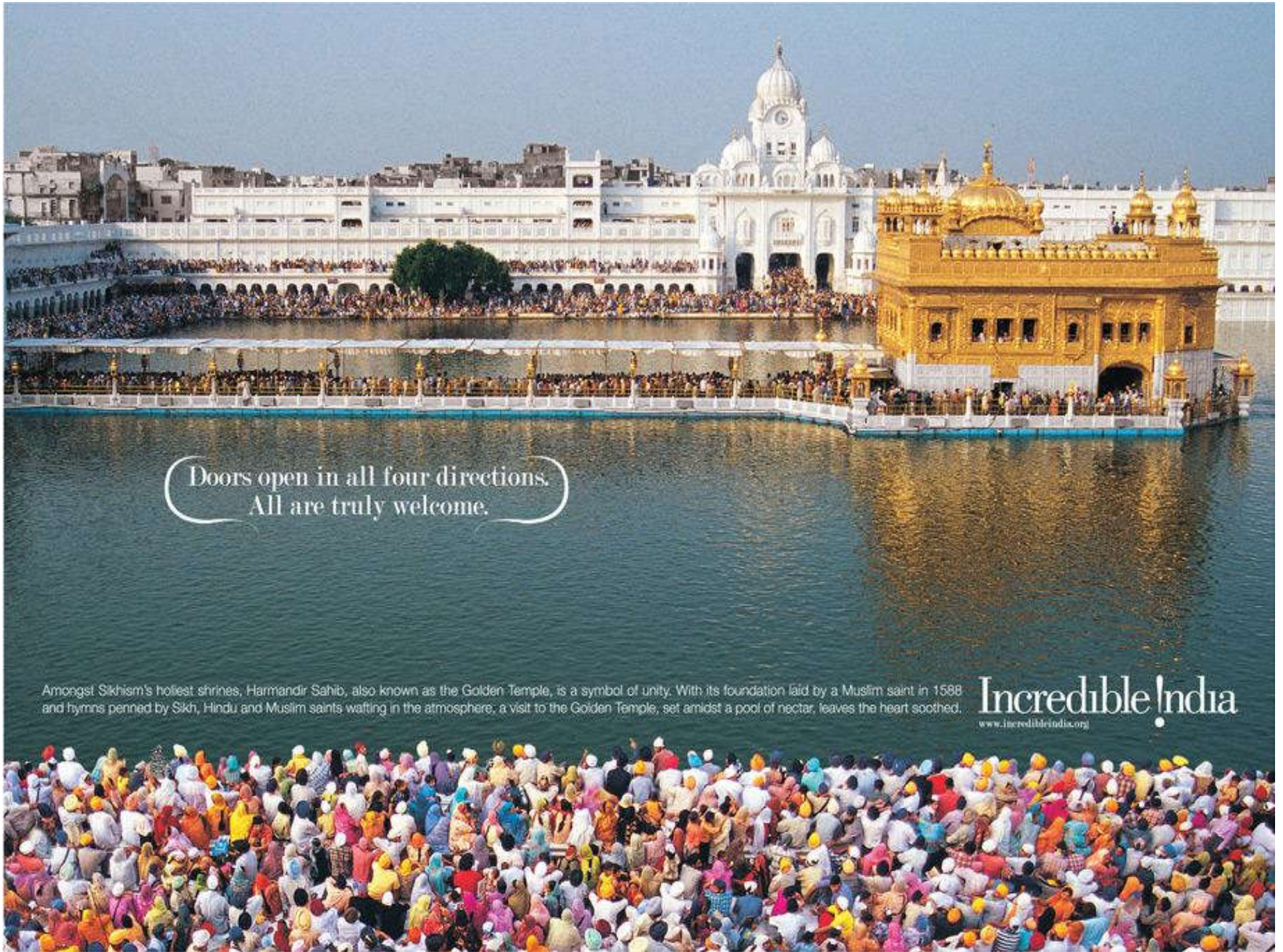


Incredible India



Incredible India

An ode to eternal love, crafted in the finest marble known to man. Also, the most photographed monument on this planet. Do come for an experience that's truly incredible! www.incredibleindia.org contactus@incredibleindia.org



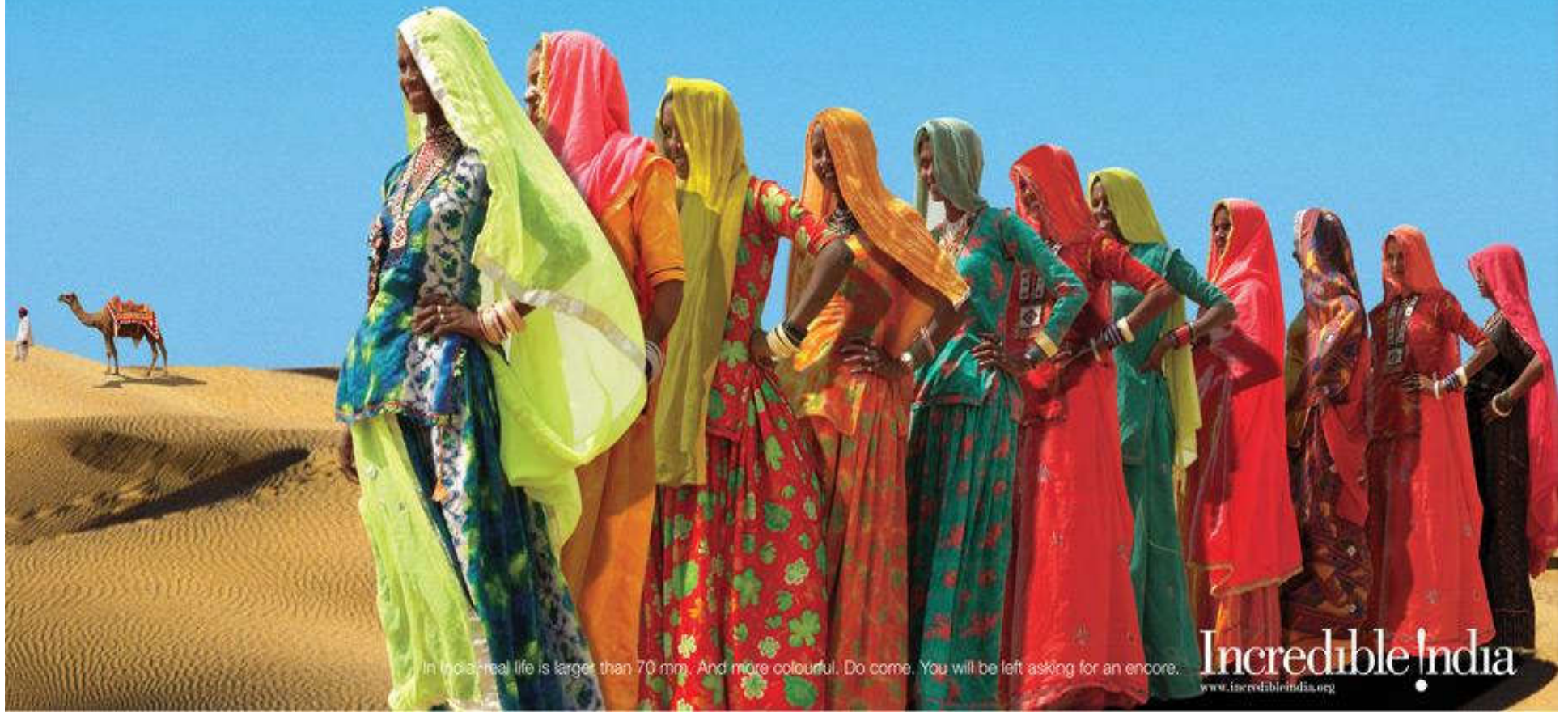
Doors open in all four directions.
All are truly welcome.

Amongst Sikhism's holiest shrines, Harmandir Sahib, also known as the Golden Temple, is a symbol of unity. With its foundation laid by a Muslim saint in 1588 and hymns penned by Sikh, Hindu and Muslim saints wafting in the atmosphere, a visit to the Golden Temple, set amidst a pool of nectar, leaves the heart soothed.

Incredible India

www.incredibleindia.org

It's a bit like a
Bollywood dream sequence.
Only, you are in it.



In India, real life is larger than 70 mm. And more colourful. Do come. You will be left asking for an encore.

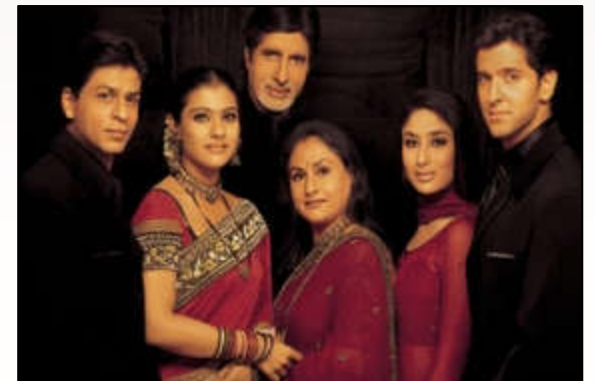
Incredible India
www.incredibleindia.org

Bollywood



Bollywood

- Industry dates back to the 1930's
- Major Themes:
 - Star-crossed lovers
 - Corrupt government officials
 - Religious strife
- Revenues of \$3bn in 2011 and growing at 10.1% per year
- Collaborations with foreign studios (ex. Dreamworks, Walt Disney, Warner Bros)

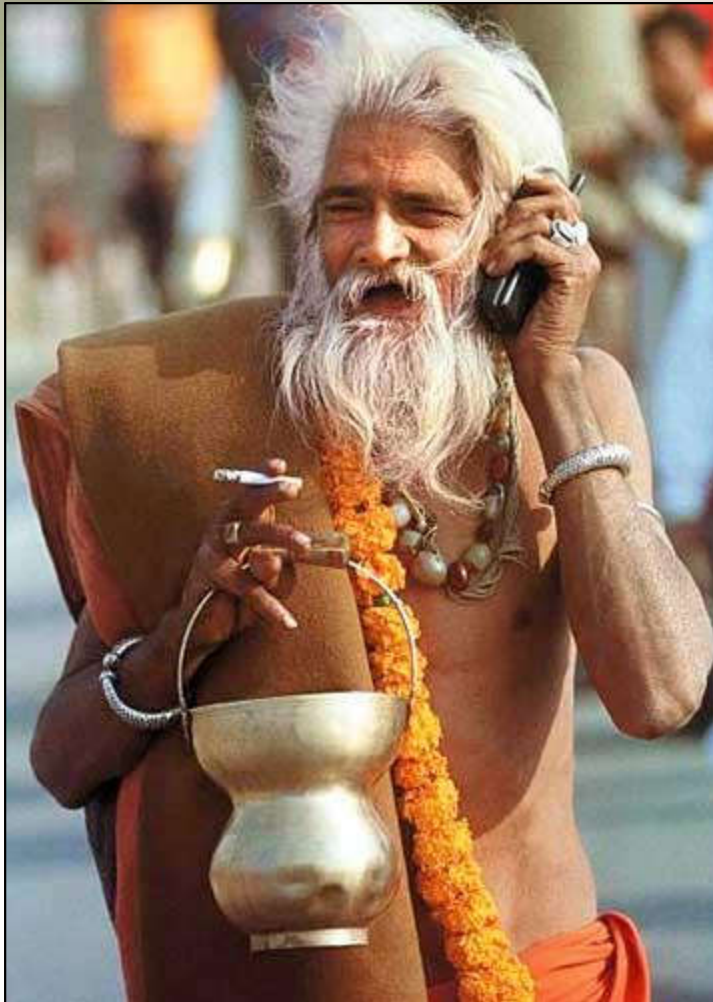


Cricket

- Unofficial sport of India
- Most popular and near religious following



Communication



- Mobile phone subscribers has grown:
 - 45 million in 2002
 - ~1 billion in 2012
- Multiple phones per person (in 2012 six billion phones were in use)
- "...greater access to mobile connections than working toilets"

Communication

Highlights on Telecom Subscription Data as on 31st May 2012

Particulars	Wireless	Wireline	Total <small>Wireless+Wireline</small>
Total Subscribers (Millions)	929.37	31.53	960.90
Total Net Addition (Millions)	8.35	-0.36	7.99
Monthly Growth (%)	0.91%	-1.13%	0.84%
Urban Subscribers (Millions)	596.98	24.22	621.21
Urban Subscribers Net Addition (Millions)	2.53	-0.24	2.29
Monthly Growth (%)	0.43%	-0.99%	0.37%
Rural Subscribers (Millions)	332.38	7.31	339.69
Rural Subscribers Net Addition (Millions)	5.81	-0.12	5.69
Monthly Growth (%)	1.78%	-1.58%	1.71%
Overall Teledensity*	76.68	2.60	79.28
Urban Teledensity*	162.57	6.60	169.17
Rural Teledensity*	39.35	0.87	40.21
Share of Urban Subscribers	64.24%	76.82%	64.65%
Share of Rural Subscribers	35.76%	23.18%	35.35%

IT Sector/Outsourcing

IT Sector

- Began in the 1970's as entrepreneurs saw an opportunity in the emerging computer industry
- Wrote software, integrated computer systems, performed R&D projects

Business Process Outsourcing (BPO)

- Began in the early 1980's with American Express and General Electric as early clients
- As of 2012, approx. 2.8 million employed in outsourcing sector generating about \$11 bn in revenues

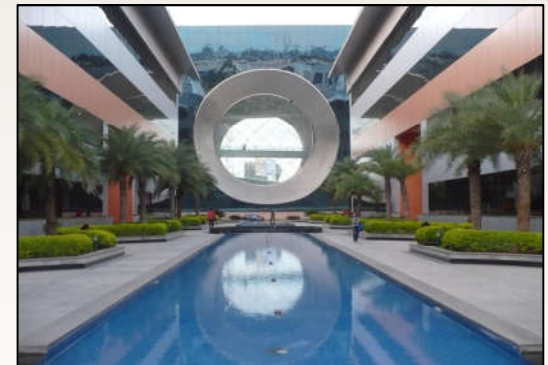


IT Sector/Outsourcing

Infosys

\$7.4 bn in revenues for 2012 (~99% from global market)

>153 thousand employees



Wipro

\$7.3 bn in revenues for 2012

>140 thousand employees



Flourishing Businesses

Reliance Industries Limited (1966)

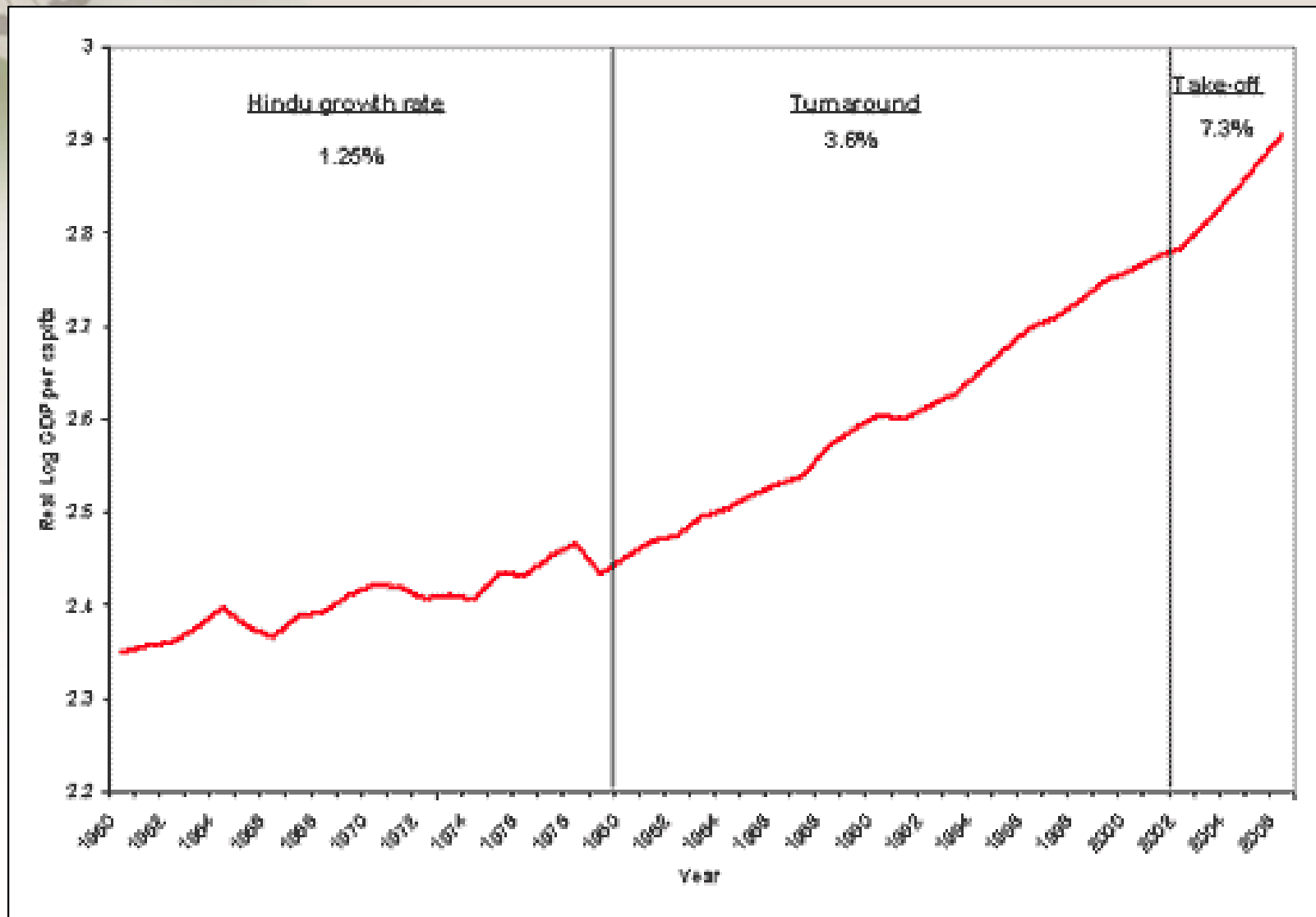
Petrochemicals, refining, textiles, retail, telecom (\$67 bn)



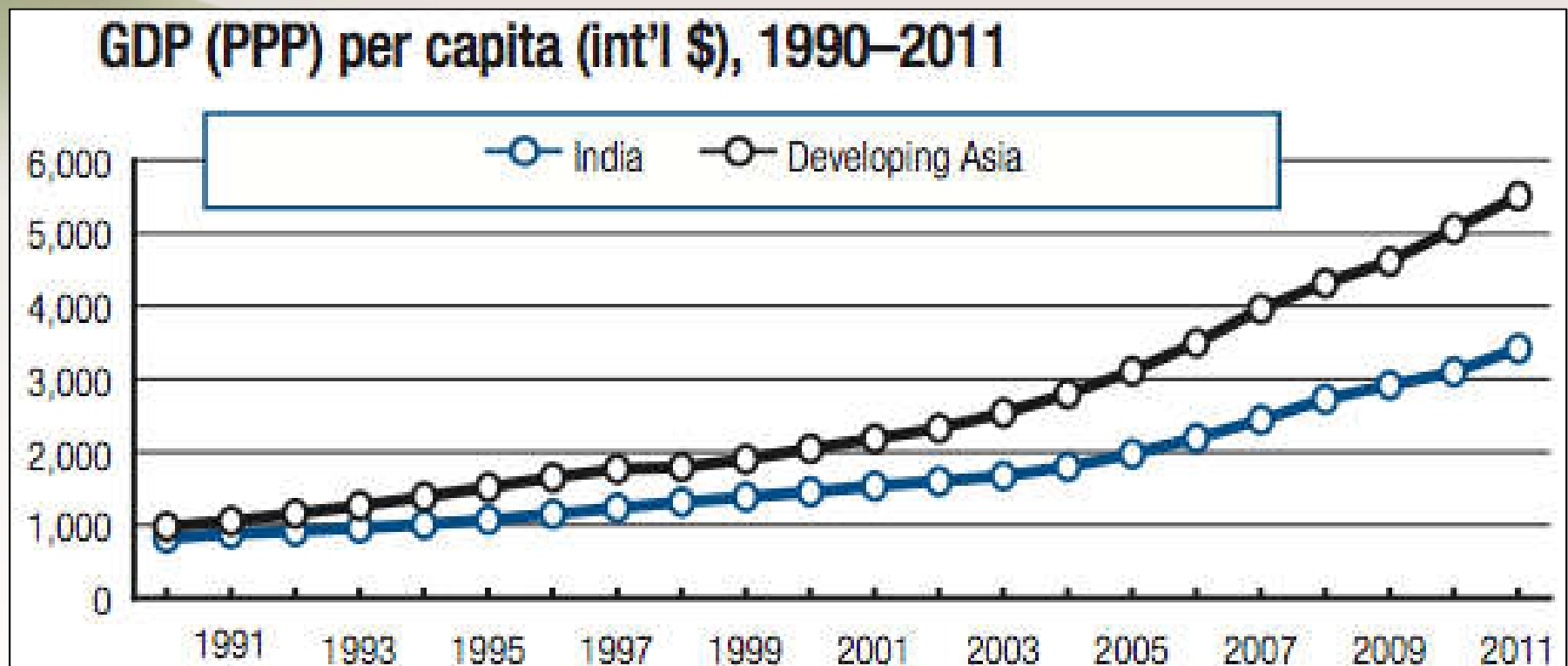
Tata Group (1868)

Tata Steel, Tata Motors, Tata Consultancy, Tata Power, Tata Chemicals, Tata Global Beverages, Tata Teleservices, Tata Communications (\$100 bn)

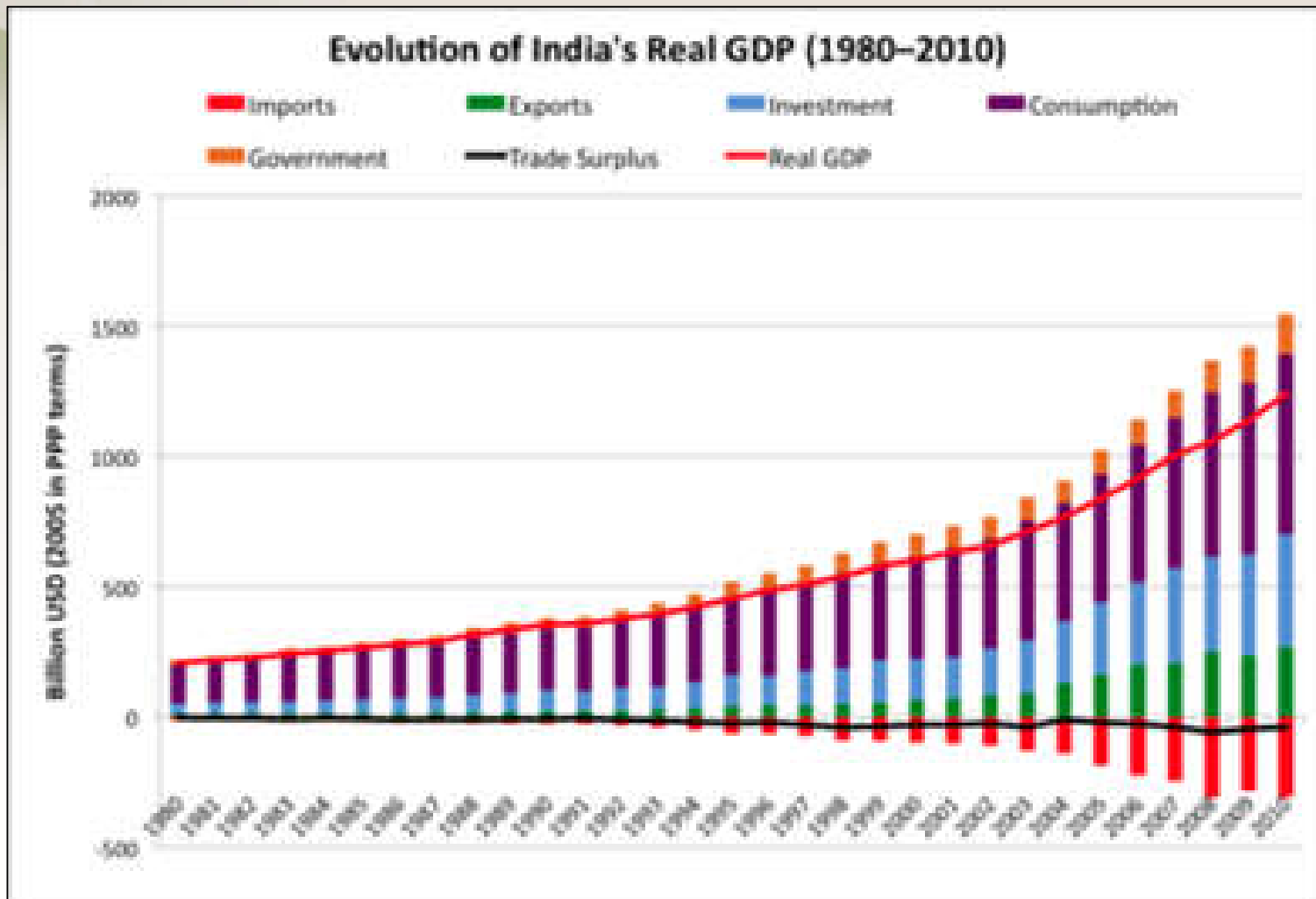
Sluggish Growth



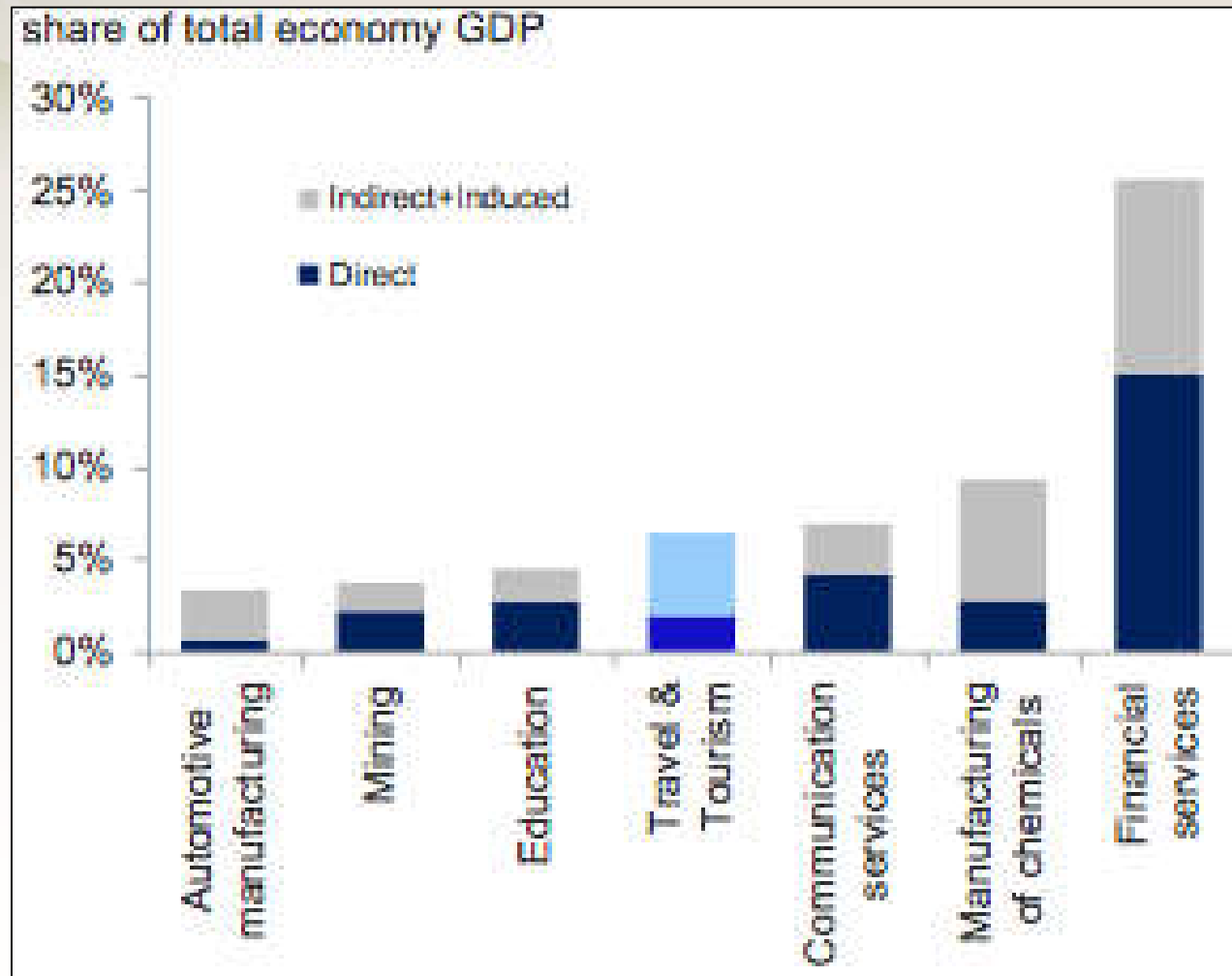
Sluggish Growth



Components of GDP

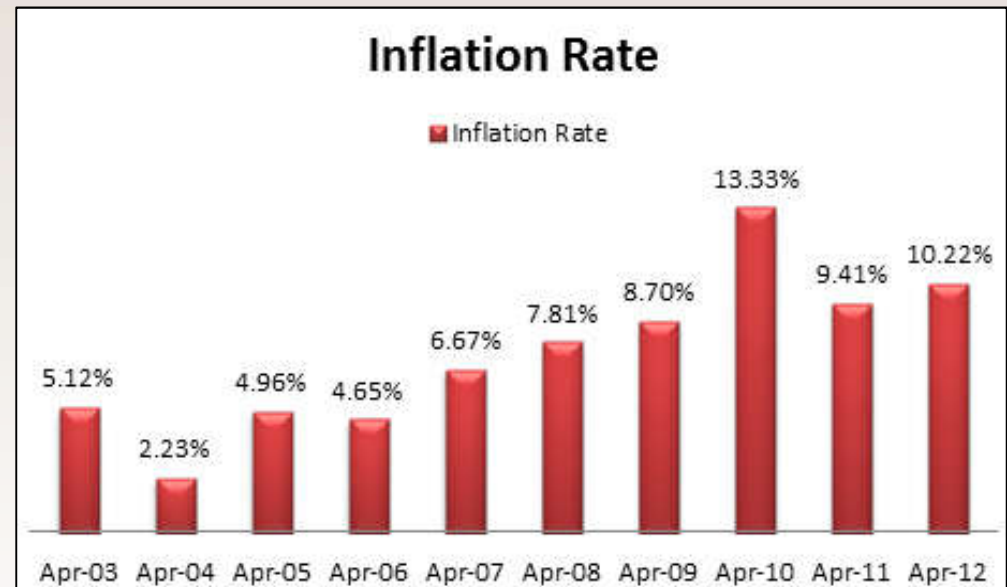


GDP Impact by Industry



Economic Environment

- 10th largest economy by GDP
- Stage 1: Factor-Driven economy
- Inflation



3rd pillar: Macroeconomic environment

3.01	Government budget balance, % GDP*	-8.7	136
3.02	Gross national savings, % GDP*	31.6	22
3.03	Inflation, annual % change*	8.6	116
3.04	General government debt, % GDP*	68.1	111
3.05	Country credit rating, 0–100 (best)*	64.0	43

Rural India

- 69% of the population live in rural villages
- Half of Indian workers are in the agricultural sector
- Agriculture's contribution to GDP has dropped to 19% in 2011 from 34% in 1980
- Sector Growth (2010-2011):
 - Agriculture 5.4%
 - Industry 8.1%
 - Services 9.6%
- Transition to manufacturing or services



Rural India

	Population (million)	Rural (%)	Females per 1000 males	Domestic product per capita (rupees)	% of people below the poverty line			Literacy rate (%)		Infant mortality (per 1000 live births)	House- holds with safe drinking water (%)
					1983	1993-94	2004-05	Male	Female		
	2011	2011	2011	2009-10				2011	2011	2007	2001
India	1,210	69	940	46,492	46	36	27	82	65	55	78
Rural	833		947		47	37	28	79	59		73
Urban	377		926		42	33	26	90	80		90
Major States											
Andhra Pradesh	85	67	992	51,025	29	22	15	76	60	54	80
Assam	31	86	954	27,197	42	41	20	79	67	66	59
Bihar	104	89	916	16,119	64	55	42	73	53	58	87
Chhattisgarh	26	77	991	38,059	50	44	41	81	61	59	71
Gujarat	60	57	918	63,961	33	24	17	87	71	52	84
Haryana	25	65	877	78,781	24	25	14	85	67	35	86
Himachal Pradesh	7	90	974	50,365	17	29	10	91	77	47	89
Jharkhand	33	76	947	30,719	60	55	42	78	56	48	43
Karnataka	61	61	968	50,676	38	33	24	83	68	47	85
Kerala	33	52	1,084	59,179	41	25	15	96	92	13	23
Madhya Pradesh	73	72	930	27,250	50	42	38	81	60	72	68
Maharashtra	112	55	925	74,027	44	37	31	90	75	34	80
Orissa	42	83	978	33,226	66	49	47	82	64	71	64
Punjab	28	63	893	62,153	17	11	8	81	71	43	98
Rajasthan	69	75	926	34,189	39	27	21	81	53	65	68
Tamil Nadu	72	52	995	62,499	55	35	23	87	74	35	86
Uttar Pradesh	200	78	908	23,132	49	42	33	79	59	69	88
Uttarakhand	10	69	963	55,877	25	23	40	88	71	48	87
West Bengal	91	68	947	41,469	57	37	25	83	71	37	89

12th Five Year Plan (2012-2017)

- Average growth rate of 8%
 - Pessimistic scenario: 5%-5.5%
- Reduce poverty by 10 percentage points
- Create 5 crore new jobs in the non-farming sector
- Increase investment in the infrastructure sector by 9% of GDP
- Raise agricultural output by 4%
- Grow manufacturing sector by 10%



The background of the slide features a faded, semi-transparent image of the Indian national flag (Tiranga) in the upper left corner, showing the Ashoka Chakra and the saffron, white, and green horizontal stripes. The rest of the background is a light beige gradient.

Challenges for India

India-Pakistan Conflict: Kashmir

- Rocky mountainous border: culture, not econ
- Three wars - 1947, 1965, 1971
- Both nuclear
- Tensions high, many lives lost
- Many millions spent
- Lingering tensions make Pakistani relations difficult



Education

- In 2010, public expenditure on education was only 3.3% of GDP
- Total literacy rate was 74.04% as of 2011 (82.14% for males, 65.46% for women)
- Migration of the highly-educated out of India



Education

5th pillar: Higher education and training

5.01	Secondary education enrollment, gross %*	63.2	107
5.02	Tertiary education enrollment, gross %*	17.9	95
5.03	Quality of the educational system.....	4.4	34
5.04	Quality of math and science education	4.7	30
5.05	Quality of management schools	4.9	33
5.06	Internet access in schools.....	4.0	75
5.07	Availability of research and training services	4.3	59
5.08	Extent of staff training	4.1	54

- Poor quality of primary education
- In 2012, Indian government delayed the legislation allowing foreign universities to establish campuses

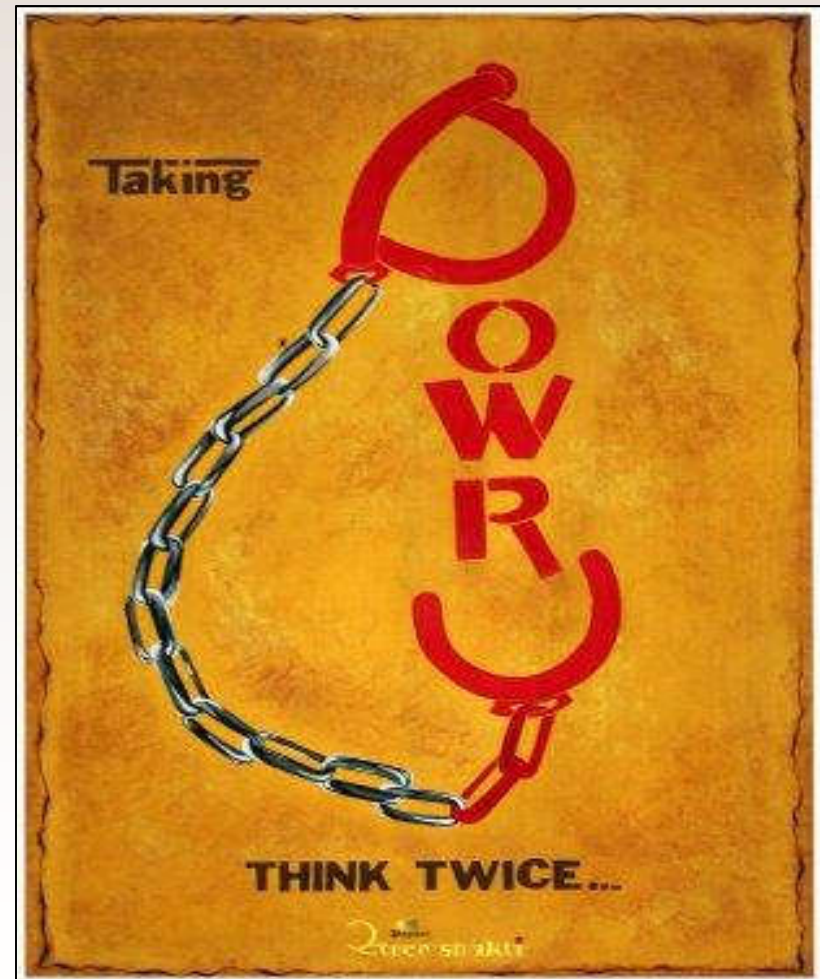
The background of the slide features a faded, semi-transparent image of the Indian national flag, showing the Ashoka Chakra in the center and the saffron, white, and green horizontal stripes.

Health

- India has issues with:
 - Malnutrition
 - Infant mortality
 - Diseases (hepatitis, malaria, pneumonia)
 - High HIV population- 3rd highest (0.3% rate)
 - 33% lack latrines, 50% defecate in the open
 - Unsafe drinking water
- Many people under poverty line w/o access to proper health care

Women's Rights

- Rape
 - Gang rape case (12/24/2012)
- Dowry
 - Prohibited 1961
- Honor Killings
- Education
- Abortions of female fetuses
- Victim shaming



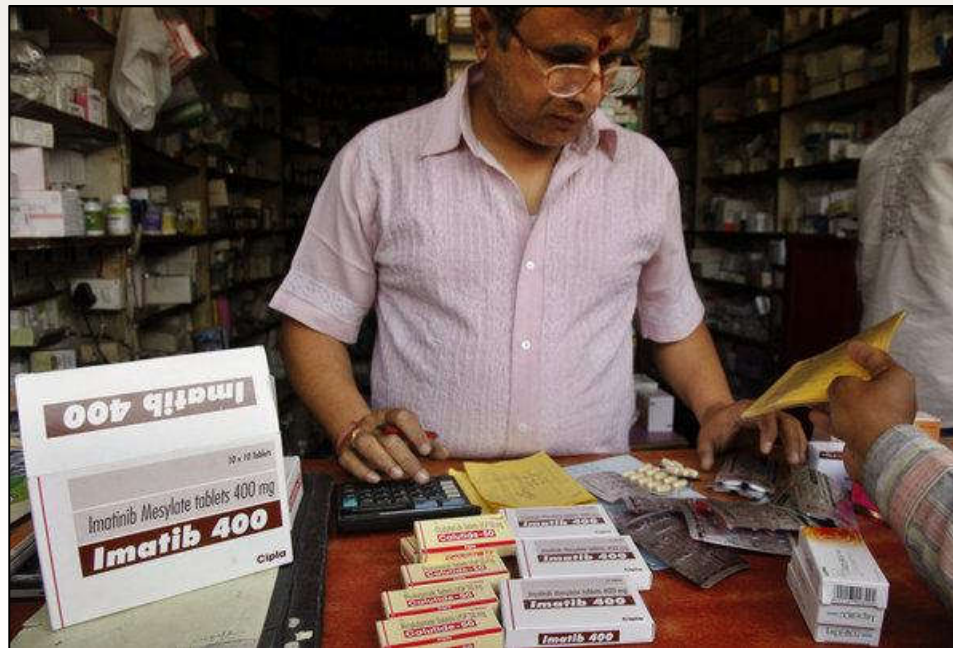


Corruption

- India's corruption ratings very high by Transparency International's Corruption Perception Index
- Ranked 94th in 2012
- Steadily down from 72nd in 2007

Biotech Patents

- Issues with India not accepting biotech patents
- Allow free making of generics



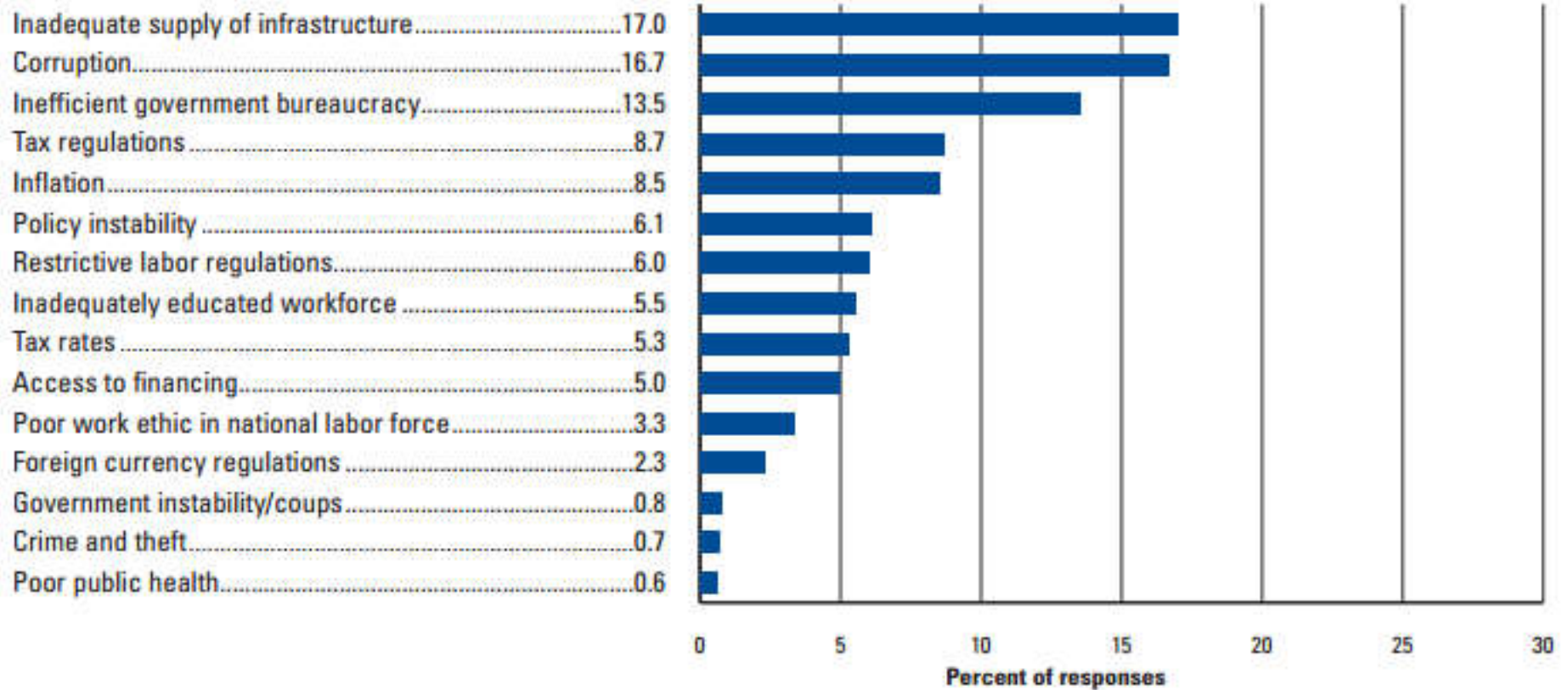


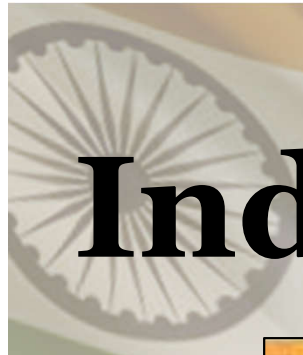
Infrastructure



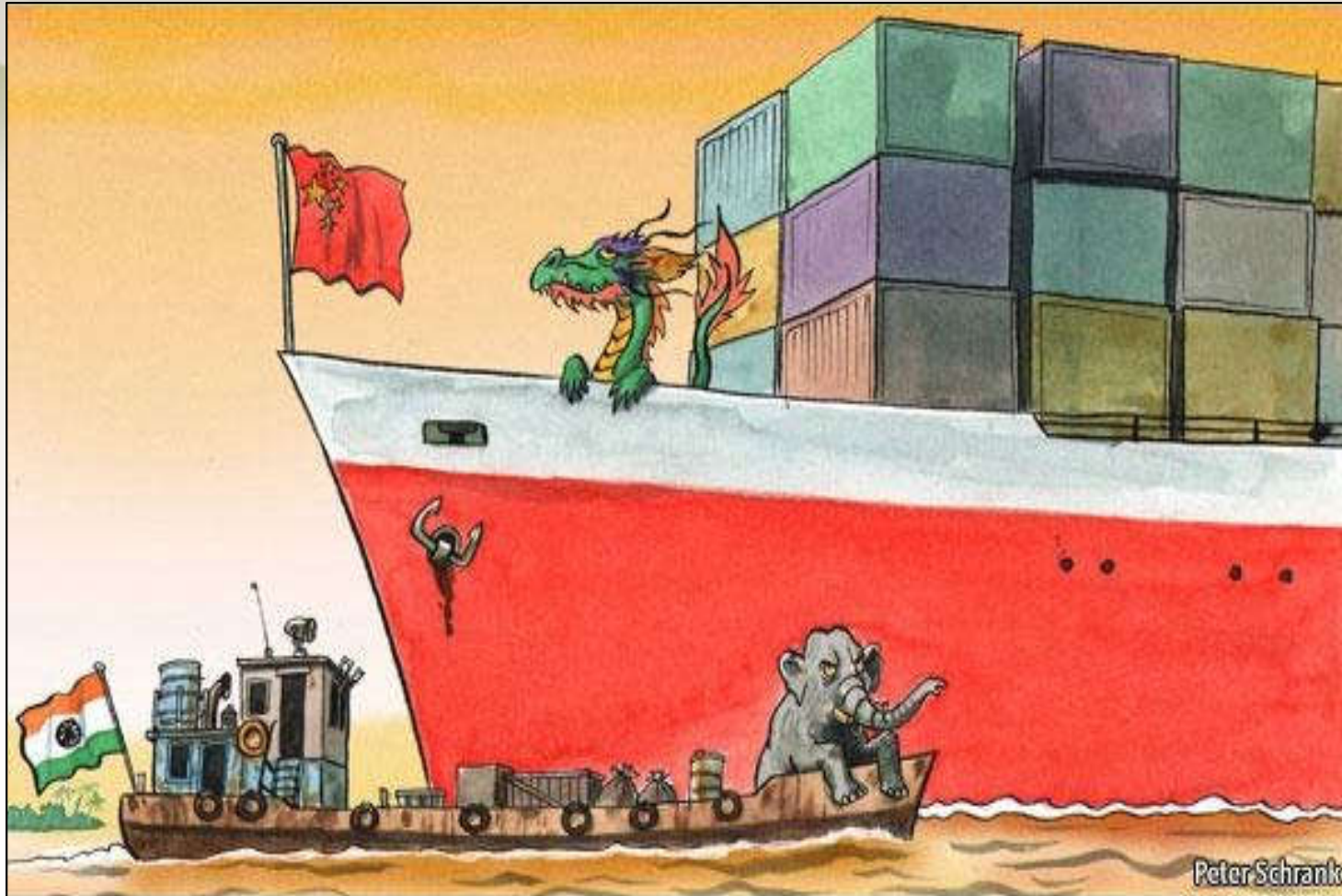
Excessive Red Tape

The most problematic factors for doing business

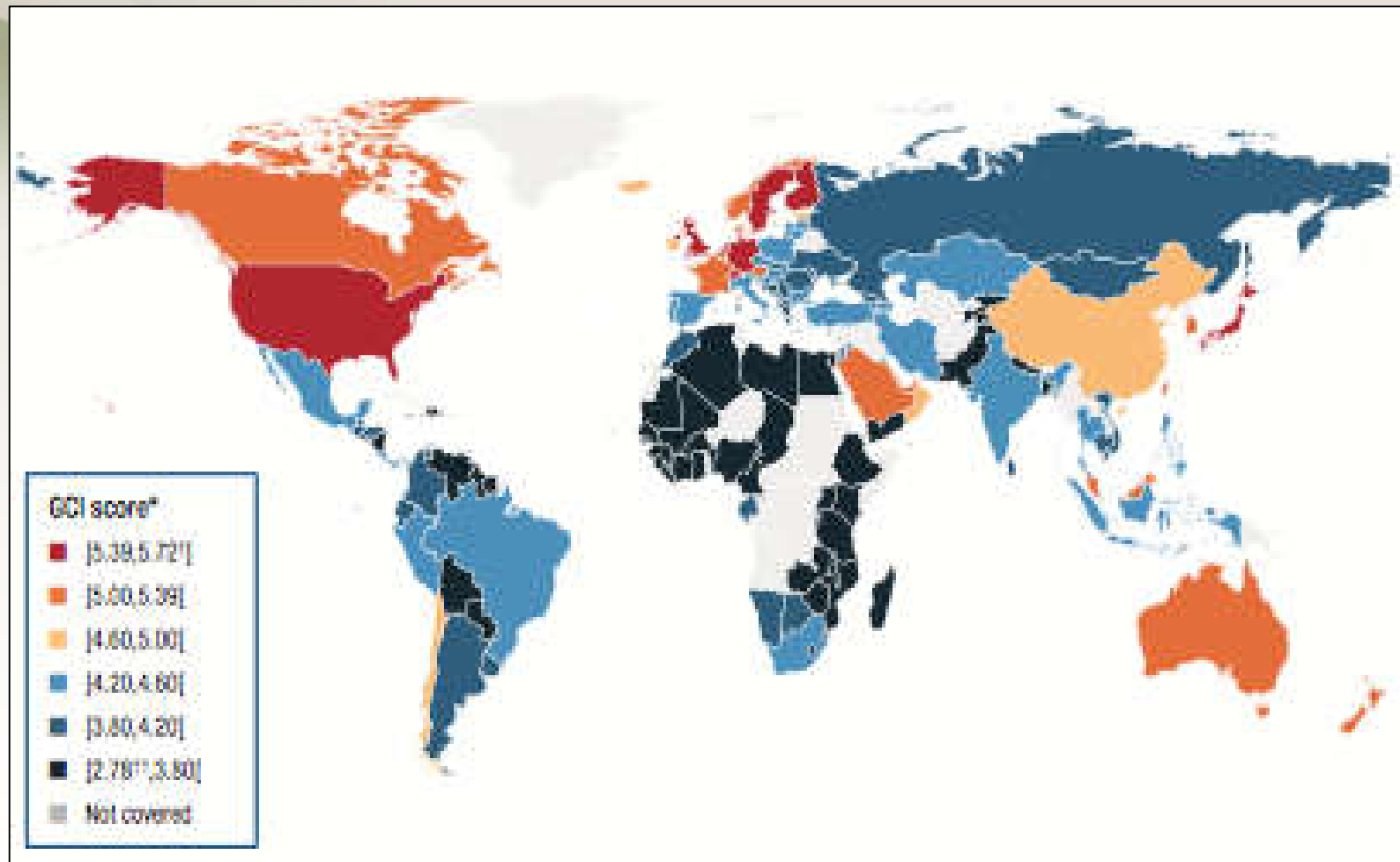




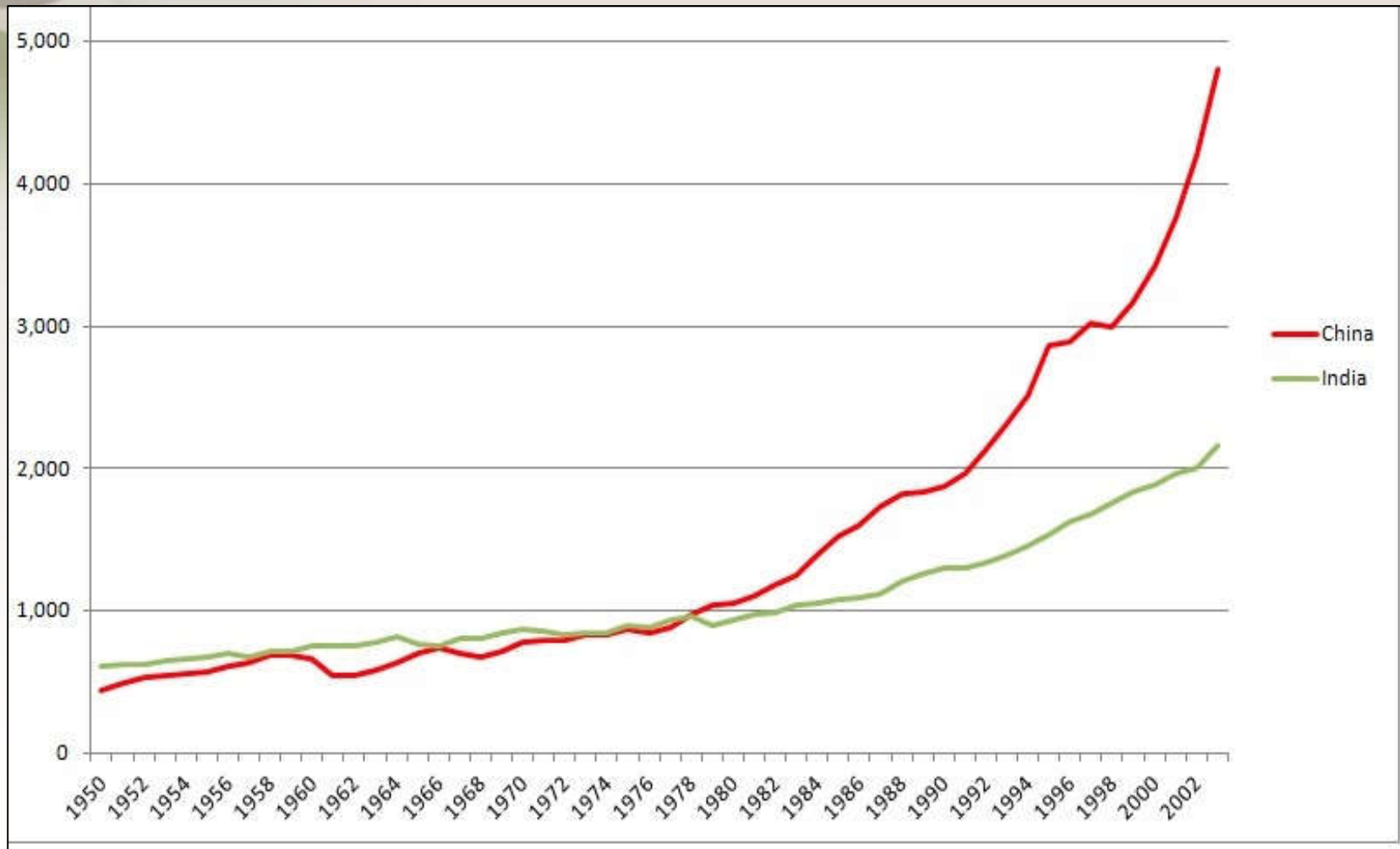
India vs. China



India vs. China



India vs. China





India vs. China

- India is the worst performing of all the BRICs (ranks 59th overall on GC Index)
- Trails behind Brazil & South Africa by 10 places; lags behind China by 30 places
- <http://cia-world-factbook.realclearworld.com/compare/261-263/China-vs-India>
- <http://opinionator.blogs.nytimes.com/2013/01/19/india-is-losing-the-race/>