

WORLD EYE REPORTS

INDIA



From outsourcing to a source of innovation

The emergence of India as a formidable economic powerhouse is a topic that TV pundits around the world just can't seem to get enough of. Behind all of the broad claims and sweeping statements, there is actually much truth — India is indeed gaining speed.

The market weight of one-sixth of the world's population led by some of the brightest minds in business and science is a force to be reckoned with and represents a massive opportunity for those who know

sive Economic Partnership Agreement, this year has been officially recognized as a year of Indo-Japanese Friendship, Exchange and Tourism Promotion.

The potential for these two Asian economic powerhouses is vast. It is a matter of making the right move and with the right partners.

Areas of interest

Currently, New Delhi, Mumbai (Bombay) and Bengaluru (Bangalore) are the major — but not only — centers of investor interest in the country. The automotive sector is concentrated in New Delhi — particularly within the satellite industrial areas of Noida and Gurgaon.

While Mumbai is the financial and entertainment heart of the country, Bengaluru, Chennai, Hyderabad and Pune are up-and-coming areas of opportunity.

Potential exists in a wide swath of sectors from textiles to agriculture (Indian mangoes have been a great success in Japan) to IT, automobiles and

changed. The success of Japanese ODA (official development assistance) infrastructural projects such as the famed New Delhi Metro demonstrate the feasibility and urgent need for this kind of participation.

It started with the car

The 1980s saw the introduction of Japanese manufacturing processes to Indian factories, starting, naturally, with the automotive sector. At that time, major partnerships like Maruti Suzuki developed and thrived, giving birth to the ubiquitous Maruti badge adorning subcompact affordable cars on all of the subcontinent's roads.

This influence and guidance from Japan helped Indian manufacturing techniques become internationally competitive. To ensure Japanese companies' high-quality standards were met, companies like Suzuki and Honda trained their Indian partners all the way down the supply chain with best practices and production techniques.

Like in many other parts of the world, "kaizen," "kanban" and "muda" became part of the industry vocabulary.

"It can be said," says Vishnu Mathur, executive director of ACMA (Automotive Component Manufacturers Association), "that all Indian automotive manufacturing is Japanese at heart. We learned quite a bit from our Japanese friends."

Today, Indo-Japanese automotive collaboration is stronger than ever. Honda has engaged the market since 1984, dominating the largest two-wheeler market in the world with Hero-Honda, an Indo-Japanese joint-venture so successful that it is studied in business school case studies.

Hero Honda is now the world's single largest motorcycle company, literally a textbook example of the potential that lay within Indo-Japanese collaboration.

Honda's entry into the car market has been extremely successful as well. Masahiro

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One of India's greatest resources is its motivated and highly educated population. At Bengaluru-based Edkal, all employees learn Japanese, an added skill that makes them more globally competitive.



Yasukuni Enoki, Japanese ambassador to India

how to seize it.

After decades of dealing with government interference and huge amounts of red tape, the private sector is finally coming online. The revolutionary economic reforms articulated in the 1990s by then-Finance Minister and current Prime Minister Manmohan Singh have come into fruition, bringing the power of this billion-strong country to the world's doorsteps and enriching a country so long lagging behind in development.

Though still facing many large infrastructural challenges, the country is on the cusp of great change, a fact not overlooked by Yasukuni Enoki, the Japanese ambassador to India.

"I have a double image of Japan in the 1960s on the eve of its high economic growth period, and India now. In light of India's recent shining economic performance, Japan looks on with renewed interest," he says.

Indeed, it is a year of strengthening ties between the two countries. As a postscript to the December meeting between Prime Minister Singh and Prime Minister Shinzo Abe, and a recently signed Comprehen-



Naoyoshi Naguchi, director general of JETRO New Delhi

infrastructure.

One area where Japanese expertise is still needed is infrastructure. Many Japanese companies previously had little interest in high-risk, high-return infrastructural projects such as SEZ (special economic zone) or industrial estate development, but the mood has

Encore!! Encore!!

The story of India's ongoing transformation from a hot spot for outsourcing to a source of world-class innovation is made up of characters like Vinay Deshpande, chairman and CEO of Encore Software, a Bengaluru-based high-tech ODM company, and one of the most respected minds in Indian IT.

"We at Encore are actually quite different from most in the Indian IT industry. Most of the IT community is based on outsourcing. The difference with us is that right from day one, 16 years ago, we have been focusing only on developing software on our own rather than someone else's," says Deshpande.

Bengaluru is not Silicon Valley (not yet, at least). But it certainly sounds like it. Deshpande is part of a rapidly growing group of Bengaluru high-tech businessmen who are reshaping India's reputation as a source of low-cost grunt-work into a nexus of discovery and talent. Just as the Y2K crisis announced to the world the



With its TFT touch screen, the Mobilis is a perfect fit for onfield applications.

founded has been based on the same premise: If Indians can do something dramatically different outside India, so can they here in India. My four previous companies proved that, and I think we are proving that here at Encore as well," he says.

Deshpande and Encore have turned the tables on the old system of outsource-to-India, and operate on a model, which will — if the success at Encore is any measure of the future — become more common. They are actually outsourcing their Indian ODM (original design manufacturer) work to Singapore, Malaysia and China.

With the emergence of every

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Tapping into centuries of interaction and knowledge

Indo-Japanese interaction reaches back thousands of years — starting from the influence of ancient Indian medicine that came to Japan via China to the present-day popularity of Japanese products in India and Indian-made IT technology that quietly enhances everyday Japanese life. It has been a rich two-way exchange. Only a few companies straddle the past and present of this dialogue like Sabinsa and its IT arm, Edkal, and even fewer provide a model for the potential that exists within it.

Revisiting ayurvedic medicine

Sabinsa — a manufacturer and supplier of standardized herbal products, fine chemicals, drug/nutraceutical formulations, cosmeceuticals — was founded in 1988 by Dr. Muhammed Majeed, a scientist from the state of Kerala who pioneered the idea of integrating India's ancient medicinal arts, known as ayurveda, into modern medicine.

"The story of our success is a story of reaching back into thousand-year-old traditions, rediscovering medicines, and validating them through the scrutiny of modern science," says Majeed.

Through Sabinsa, Majeed unlocks these traditions for the world. Having secured 27 U.S. and international patents, his products have won several major awards for quality and innovation in the United States, Europe and India. Now, they are making inroads into Japan and their popularity is surging.

"Japan represents great potential for us because the Japanese understand and appreciate the power of nature, and prefer to go with a natural product when given the opportunity," he says.

The ubiquity of natural Chinese medicine in Japan is an indication of this trend, but few know that many of these tried and tested Chinese medicines were originally from India. This fact alone speaks of the potential of these products in Japan.

Combined with the rigorous clinical studies, standardization processes and world-class quality that Sabinsa demands of its products, the benefits for the Japanese consumer become obvious.

Parallel traditions, ancient solutions

A basic premise of Japanese health and longevity has been that food is natural medicine and any local housewife knows that her ingredients are a gold mine of nutritional value with health promoting properties.



Muhammed Majeed, managing director of Sami Labs

That belief is fully in line with ayurvedic thought.

Sabinsa produces many of its medicines directly from food. These products are known as nutraceuticals, among which are the bestselling herbal extracts.

For example, ForsLean is an extract from the root of the Coleus forskohlii plant, which contains a natural compound that increases lean body mass and optimizes body composition. The winner of many awards in the U.S., including the coveted Thomas Alva Edison Award for Innovation, the medicine is available in Japan and has been growing more popular.

Majeed is determined to succeed in Japan and hopes to popularize ayurvedic medicines in the same scale as he had done in America. Aside from promoting his product, he also hopes to find long-term partners in the country.

"The strength of character in doing business and the attitude toward doing business in Japan are not seen anywhere else in the world. In Japan, you are not a vendor. You are a partner. That is something that I have great respect for," he says.

Japan-focused IT solutions

That success of Sabinsa gave rise to the IT firm Edkal, which has acquired its own identity since being founded as

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Software firm expands to Japan and other new markets

R Systems, one of India's leading providers of outsourced product development services, is extremely bullish about its future, having experienced in the past few years rapid growth that its chairman and CEO calls merely "the tip of the iceberg."

Having scored early success with companies in the U.S., R Systems is now expanding into new markets and stepping up efforts to build its business in Japan. From its Singapore office, R Systems already services Japanese global giants such as Sharp, Hitachi and TEAC.

Company Chief Reki Singh believes it has the knowledge and experience required to succeed in Japan as R Systems can meet the unique needs and demands of Japanese companies.

Aside from meeting vital requirements such as knowledge of Japanese language and culture, the company also has senior project managers who can function as so-called "bridge engineers." It also sets up an effective communications infrastructure, which includes dedicated leased lines.

In meeting those demands, R Systems makes it much eas-



Reki Singh, CEO of R Systems International

ier for the host company to integrate its operations with their vendors.

With this in mind, R Systems entered into a strategic partnership with Aisel, a provider of e-commerce, mobility and em-

bedded software solutions with a significant customer base.

Aisel hopes to take advantage of R Systems' deep pool of technical talent to expand its operations while R Systems is confident it will meet the needs of its partner based on its experience with Japanese companies.

R Systems, which went public in March 2006, has strengthened its infrastructure to meet these emerging demands and accommodate its foreseen expansion in the U.S. as part of its continuing commitment to improve customer service and build up its business.

R Systems received its initial strategic investments from Intel Capital in 2000 and from GE Capital in 2002. It is exploring possible strategic alliances with several local groups to give the company visibility in Japan. ♦

www.rsystems.com



FLOODING LIVES WITH JOY.



R Systems is confident it will meet the needs of its partner based on its experience with Japanese companies

Global steel pioneers with Japan in mind

The Ajmera Group, a construction and real estate development company in India, entered the cement and steel industries more than a decade ago to boost growth through complementary businesses and contribute to the country's economic development through the vision of Group Chairman and Managing Director C.S. Ajmera.

Shree Precoated Steels Ltd., set up in 1991, has since grown into a global producer of high-quality coated flat steel.

"We were the first to start this business in 1991 and since then we have never looked back," says company Director Sanjay Ajmera.

SPSL produces nearly half a million tons of pre-painted steel, 90 percent of which are exported to Europe and the Far East. As part of its expansion, it has invested in advanced technology, such as an NIR-infrared oven, which cures paint in three seconds, a record in the global industry of color-coated steel production.

Meanwhile, the company believes that the environment need not suffer for the sake of more efficient and cost-effective production.

It has the world's largest revolving regenerative thermal oxidizer, which converts solvents into harmless fumes with zero-fuel to effectively recycle the released energy, and a waste acid recovery facility which recovers acid with the lowest chlorine-based ion oxide, a byproduct popular in Japan.

Besides having achieved a highly efficient production process, it



C.S. Ajmera, CEO of Shree Precoated Steel

has also obtained accreditations from the International Standards Organization for several of its products.

To ensure that goods stay intact from the time they leave the plant until they reach the customer, SPSL began containerized shipment in India.

In the near future, it hopes to have its own production line for the booming automotive industry via its plan for backward integration of iron and steel-making, and hot strip rolling facilities with a capacity of about 2 million tons a year.

"Shree Precoated Steels is always open for partnership with the Japanese in a big way and looks forward to collaborating with them in the future for the challenging missions we have," declares Ajmera, whose company has been looking for joint-venture opportunities. ♦

Shree Precoated Steel, based in Pune, uses the world's First NIR (near infrared) oven, which has a color-coating speed of 180 meters/minute.



SHREE PRECOATED STEEL

SHREE PRECOATED STEEL

www.spsl.com

Rewriting the future of Indian ingenuity

One thing gets Indian executive Deepak Puri quite excited: talking about shattering misconceptions about Indian companies. The founder and managing director of Moser Baer brims with energy when he describes the challenges that his company has overcome and those that it still tackles.

His firm has dispelled old notions about India's high-tech production capability by breaking into the most challenging markets around the world with its data storage products. Now one of the world's top three optical storage manufacturers, the brand has become synonymous with quality and strong customer relationships.

Founded in New Delhi in 1983 in technical collaboration with Maruzen Corp. and the Swiss Moser Baer Sumiswald, it has since become one of the first truly globalized Indian companies.

Moser Baer has become the medium of choice in India's burgeoning technology driven economy. Today, its products are distributed in over 82 countries and used by the world's top OEMs such as Sony, Maxwell and TDK.

With its strong base of talent and focus on efficiency, the company has managed to maintain its reputation for quality while maintaining its status as the lowest cost manufacturer of optical media in the world.

Puri's respect for Japanese business runs high.

"It is amazing what major Japanese companies have done in terms of ensuring the efficiency of their entire supply chain and the complete satisfaction of their customers. This is exactly how we approach our business," he

says.

Most importantly, his company proves by example that India is not a country that simply borrows technology but also creates it.

"We do not just follow others. This is a country rife with innovative talent. We were the first in the world to ship HD-DVD. We will be the first or one of the first to ship HD-DVD-DL and Blue Ray. And as these products mature, we keep working to improve their functionality," Puri says.

Meanwhile, Moser Baer is moving beyond optical storage into other areas. It is looking into the development of photovoltaic solar cell panels. ♦

www.moserbaer.com



Deepak Puri, CEO of Moser Baer

MOSER BAER

Bringing together the best of all worlds

Staffed with a high number of employees with international experience, Bengaluru-based biotech company Jubilant Biosys has grown into a company with a global scope that is committed to encourage innovations within the pharmaceutical industry.

JBL, which also has a strong history of collaboration with Japan's top pharmaceutical companies, has taken advantage of local knowledge and skills while protecting intellectual property in its mission to speed up the discovery of drugs that will benefit the world.

World Eye Reports had the opportunity to speak with JBL's CEO Sri Mosur about the prospects of Indo-Japanese collaboration in his field.

WER: Why did you return to India from the U.S.?

I believe in the migration of innovation. There is a cycle of innovation in every country's history. Innovation was once the domain of Europe. Then it migrated to Japan and then the U.S. Now is the

time for the rest of Asia.

Like many other Indians, I came back from America because I did not want to miss such a great, exciting time in India when decision-making can have an impact on the country and region. It is an inspiring and challenging environment to come back to.

Just a few years ago, people told me that innovation could not take root in India, but you can see it happening all over the country now. This is a place of great change.

What synergy do you think exists in the Indo-Japanese relationship in pharmaceuticals?

First, there is huge potential for Japan-specific technologies to be transformed into global technology



Sri Mosur, CEO of Jubilant Biosys

gies using Indian scientific understanding and native-English skills.

For example, we work with a company that has created outstanding software for clinical and bio sample data management. Wonderful software but the problem is it's in Japanese.

We decided to become partners to learn how to use the software in our collaborative research

work and then later convert it to English. We could then transform this into a global tool and provide a complete support system for it in English, which could be accessed by the global market. Suddenly, Japan is no longer the market for this software. The entire world is.

Second, if you conceptualize a product outside of Japan, entering the Japanese market is a long process. Similarly, some Japanese companies find it equally difficult to enter other international markets because they have naturally done everything in Japanese.

A simultaneous effort with shared technology but a good intellectual property protection plan will help Japanese companies globalize at a much higher speed and lower cost, and Indian com-

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Enriching the world from India

Having received a parcel of barren land from a raja in the early 1900s, local entrepreneur Laxamanrao Kirloskar soon used the princely bequest to build on a dream that, a century after, has grown into an impressive business model that contributes to social progress.

From the industrial township named Kirloskarvadi, India saw the development of its first-ever iron plow, a tool that played a vital role in the agricultural and industrial growth of this vast nation.

Since those early years, Kirloskar Brothers Ltd. (KBL), the first venture at the township, has grown into the country's largest manufacturer of pumps and valves.

"We have built a very successful brand by providing excellent services and innovating solutions according to the diverse needs of India and the world. We understand the pulse of the customer," says Chairman and Managing Director Sanjay Kirloskar.

Over the past few years, the pump industry has grown consistently due to continuing urbanization, rising industrialization especially in developing countries, and strong demand for irrigation facilities around the world.

Because of its immense manufacturing potential and availability of skilled manpower, India has attracted several companies for the sourcing of pumps. As competition becomes stiffer, turnkey solution providers with advanced technology and superior quality of products have gained the edge, putting KBL at the top.

"We are promoting our products with 'Triple



A monument to the founders of Kirloskar stands in the company grounds.

A Technology.' Our products are Affordable, Appropriate and Adaptable," Kirloskar comments.

Having obtained its ISO certifications, the company won commissions to supply several pumping solutions to valuable industries and projects in India and beyond, such as the Circulating Cooling Water Systems Project of the Nuclear Power Corporation of India Ltd. (NPCIL).

Its other prime projects include the Termo-

zulia Power Project in Venezuela through MAN Ferrostal Power Industry GmbH. KBL is also building the world's largest pumping station with 48 vertical pumps in the Indian state of Gujarat.

KBL has the one of the largest pump testing facilities in Asia, where computerized data can be accessed easily online.

Today, it is expanding production capacity and increasing productivity to meet the growing demands of the global market, and take advantage of opportunities in old and new markets.

"KBL has a vision to be in the top 15 companies in the world by 2010 and among the top five companies in the world by 2015," says Kirloskar.

Over the years, the Kirloskar family has engraved quality-consciousness in the minds of their workers and inspired the country to enrich lives in its communities.

Aside from caring for Kirloskar's workers, the hospital in Kirloskarvadi provides medical services and spearheads various health-related activities for the surrounding villages while its school hopes to educate the country's future leaders through a well-rounded approach. ♦

www.kbl.co.in

Anatomy of a Honda factory

May 25, 1996, Noida. Honda leased a 60-hectare plot of land just outside New Delhi for 99 years. It is within these premises today that car-owner dreams are realized.

An escorted tour around the Hondal Siel Cars India (HSCI) factory by President and CEO Masahiro Takedagawa reveals the inner workings that make Honda a strong player in India today. The vast space is divided systematically and every inch of the floor is utilized to its full capacity.

"Customers look to Honda for the most advanced technology," Takedagawa says as he points out the robot arms welding a car body together with mathematical precision.

HSCI proudly works with 98 suppliers in India and they are all present in the assembly line, visible from the crates of large door parts to the boxes of wires for the car radio. Throughout the company, from the CEO down, everybody wears the same uniform, very much in line with founder Soichiro Honda's belief that work dignifies the employee, each of whom plays an important role in the company.

Once fully assembled and test-driven on the premises, the cars are shipped to the 55 dealerships across the country.

Today, 75 percent of the Indian car market is comprised of compact cars. Although Honda has not dipped into this segment

yet, it holds a 25 percent market share in the remaining segments.

In India, Honda sells the City, Civic, Accord and CR-V, all of which have been top-selling models in their respective categories.

Anticipating a doubling of the local car market in the next 10 years, Takedagawa says that Honda will sharply increase its investment in the country by releasing new models and raising production capacity to 150,000 per year by 2010.

But expansion is not the main goal, according to Takedagawa, a 27-year veteran of Honda who mastered his sales and after-sales skills in four other countries.

"We always refer to the customer as a measure of success," he stresses.

That customer-centered attitude will surely prove valuable in a market where people wait for years to buy a new car and resale values are watched closely. ♦

www.hondacarindia.com



Masahiro Takedagawa, CEO and president of Honda Siel Cars India

WER



The Honda City is the largest-selling sedan in India and is well appreciated by customers for its futuristic design, spacious interior and class-leading fuel-efficiency.

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All-new **CR-V** | i-VTEC | G-CON | New-age Aerodynamic Design | 24 L Max. Power 151 PS | 5 Speed Manual Transmission | Luggage & Sport Equipment

HONDA

Bridging Indian Skill and Japanese Excellence

In Japan, Sami Labs is acclaimed for ForLean - a U.S. patented phyto nutrient used for maintaining lean body mass. Marketed through our sister concern Sabinsa Corp. Japan.

Over the years, Sami Labs, Sabinsa and Edkal have successfully established themselves in their areas of expertise offering a vast range of innovative patented products, solutions and services to the global markets.

Edkal was spun out from Sami Labs with the vision to be the most admired software and technology company. Edkal's mission is to achieve the leadership position in its focus domains and geographies. Edkal provides information technology and automation solutions cutting across business, finance, life science, pharma, healthcare. Its domain knowledge, talent pool, expertise, and goodwill are unrivaled. And a continued commitment to enhance services to its Japanese

customers. The reason for its genesis. The inspiration for its future. The innovation and more... company - Edkal.

With a determined focus on the Japanese market our 'Bridge Engineers and Technologists' are individuals with core competency to satisfy the almost ethereal perfect Japanese customers. This has been our integral strength enhanced through in-house Japanese language and cultural training programs for our people.

Edkal Academy and Development Center: Language and IT training of professionals for the Japanese market.

Edkal Business Solutions: Software enterprise applications and custom development, technology solutions, data migration, analytics, algorithms, simulation, knowledge and business process outsourcing services, content and multimedia.

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The partner of choice for developing India

In 1997, several domestic and foreign groups formed the Infrastructure Development Finance Co. (IDFC) as a private-sector enterprise that would finance and oversee major infrastructure projects in the country.

As structures and regulations evolve in this burgeoning market, IDFC has become an important partner in development because of its strong relationships with government agencies and international institutions, such as the Asian Development Bank.

Its wholly owned subsidiary IDFC Private Equity, the country's largest infrastructure-focused private equity fund, manages resources amounting to \$630 million.

In the past two years, IDFC has financed projects to add 3,600 MW to India's power generating capacity, 1,000 km of new roads, and 3.5 million TEUs (twenty-foot equivalent unit) of new container handling in the coun-



try's ports. IDFC participated in 25 of around 75 road

projects awarded under public-private partnership financing structures while it took part in six of the 12 projects bid out by state maritime and major ports on a BOT (build-operate-transfer) basis. Of the five airport privatization schemes, IDFC participated in three.

In the last five years, IDFC's loan book and balance sheet have grown by about 50 percent and 40 percent, respectively, every year.

As of today, it is the single largest debt and equity financier of privately sponsored infrastructure in the country. ◆ www.idfc.com

India's poor get shelter from the rain

Few would argue that the microcredit revolution begun by Bengali Nobel Peace Prize laureate Muhammed Yunus has drastically improved the lives of millions of poor people. But in India, a lack of decent housing and growth in the lower and middle classes have created a unique crisis that entails a different kind of revolution.

Dewan Housing Finance Corporation Ltd. (DHFL), the first institution of its kind in this country, has taken on the daunting task of providing housing loans to people who have been considered as risky borrowers by traditional lending institutions.

In today's India, lower- and middle-income families occupy a financial no man's land, above the maximum income levels set by microcredit institutions yet unable to meet the minimum financial requirements of the formal credit institutions.

For these Indians, a house is the most important purchase of their lives. About 40 percent of all households are single-room spaces and nearly 50 percent live in non-permanent structures. In rapidly growing cities, only 65 percent of families own their own house, which constitutes a major concern that will increase as India's population continues to swell and urbanize.

Meeting the needs of this ever-increasing segment of the population will require massive intervention from government and the

private sector. Currently, DHFL is the only private institution focused on this wide swath of the population and is committed to its founder's original mission: to provide homes to those who cannot afford it otherwise.

Building relationships with these average Indians is at the heart of what DHFL does.



Understanding that, it finances the future of a country and is thus intimately involved in the welfare of India's burgeoning lower- and middle-class families. It has institutionalized a system based on empathy and customer service unlike anything currently in place in this country.

With everybody in the company, including

CEO Bikrum Sen, embodying the famous Japanese commercial mantra "the customer is God," DHFL is focused on redefining the client-lender relationship in a country where commercial culture is still in its nascent stages.

Every employee in DHFL's 170 business locations across the country is obliged to become personally involved in their respective communities

This hands-on personal approach has not only made possible the dreams of thousands of aspiring Indians but has yielded high profits. It has posted a compounded annual growth rate of more than 25 percent over the last five years.

As DHFL expands into Dubai, this lending model will likely find home in other countries as well.

Meanwhile, lending to high-risk clients carries on with much confidence. As one Indian proverb goes: "You can trust a hard-working poor man with your life savings." ◆ www.dhfl.com

Inviting India

India, where one of the earliest civilizations began, has always intrigued and fascinated tourists from all over the world. Today, the country is one of the most populated nations and apart from its indigenously diverse culture, is also home to many foreign nationals who have come to partake of the countless opportunities this bountiful land offers.

New Delhi and Mumbai still remain the two main business centers of India. New Delhi, where powerful Mogul emperors once ruled their kingdoms, is the nation's capital. Mumbai, which flourished during the time of British rule as a trade port between East and West, is the country's financial center and home to the Bollywood movie industry.

In New Delhi, travel through time and arrive in the early 1900s to be greeted by regally uniformed staff at the Maidens Hotel (www.maidenshotel.com). This heritage hotel, one of the city's oldest, is tucked away from the bustling city center, making it a choice for travelers who would like the option to relax and be pampered in the style of the colonial days.

Wake up in the morning and enjoy a cup of coffee and the morning paper in front of a charming open courtyard. In the afternoon, dine with business partners at the private Curzon Room, where the walls are adorned with pictures from the days of the British Raj, and complete the experience by enjoying a sumptuous mix of continental



The Taj Mahal remains the most iconic symbol of India.

and Indian dishes. The hotel's distinct 19th century-style Cavalry Bar mixes cocktails that are perfect as a night-cap.

Spacious, high-ceiling Executive Suites (with twin-bedroom and separate sitting room) make a great choice for the business traveler. Equipped with modern facilities such as 24-hour TV channels, high-speed Internet and direct dial telephones, the guest is always connected to any part of the world.

It is situated in the north of the city, close to the famous Chandni Chowk market and the University

of Delhi campus, and is just five minutes from the newly constructed New Delhi Metro.

For most of the last century, one hotel was synonymous with India's prestige and lavishness, the Taj Group's flagship hotel, The Taj Mahal Palace and Tower (www.tajhotels.com). This landmark hotel is conveniently situated in south Mumbai, the city's commercial center.

The hotel is considered to be India's premier hotel, a place where royalty and celebrities come to gather and rub elbows. Complete state-of-the-art business amenities and services, like

all-around wireless Internet connectivity and in-house video conferencing, helps make business dealings run smoother.

After a hard day's work, guests can enjoy some of the hotel's recreational facilities like the fitness center, swimming pool and rejuvenating spa. Internationally acclaimed for its excellent restaurants and bars, the property has 10 specialty dining outlets.

A more affordable but still comfortable accommodations option in Mumbai is Hotel Godwin (Phone: +91-22-2287-2050 / e-mail: godwinht@vsnl.in). The three-star hotel has housed business executives for over 30 years and continues to be a home away from home for many travelers.

Situated in south Mumbai close to the Colaba Causeway, the hotel is near cafes, multicuisine restaurants and trendy bars. Around the corner is a street market where shoppers can find local handicrafts, antique crafts, watches and even DVDs.

Apart from basic amenities, the hotel has a daily laundry service, 24-hour room service and a car rental service. ◆

A great plus for India

Plus Business Machines were unknown in India until 1995, when a wholly owned local distributor brought the Japanese-made products to this thriving market. Three years later, Plus Corp. in Japan offered financial collaboration, having been impressed by the successful operations and immense potential.

From its origins in Mumbai, Plus Business Machines has since expanded to eight major cities and areas in the country: New Delhi, Bengaluru, Kolkata (Calcutta), Ahmedabad, Hyderabad, Chennai and Kochi.

"We have been doing very well. Contrary to the feeling of Indian businessmen that a relationship with your partner is purely for business, our experience turned out to be a business-cum-family relationship. We are very happy with our relationship with Plus Corp. They have been very supportive and we have been very loyal to the



Swadesh Khetawat, managing director of Plus Business Machines

brand. Today, we are the market leaders in India," explains Managing Director Swadesh Khetawat.

Plus Business Machines supplies and integrates audiovisual products to India's largest corporations. Unlike other electronic distributors, it focuses mainly on this niche market. "So when people in India want to buy AV (audiovisual) products, they buy from us," says Khetawat.

As a testament to India's economic future, Plus Business Machines plans to manufacture some products from here and

supply nearby countries in collaboration with Kaga Components of Japan. The Plus projector business has recently merged with the Kaga Group and the new projector brand is called Taxan.

"Come and see what the real business story is like. There are great opportunities in India and you should not delay further. We are open to having technical and financial collaboration with strong Japanese brands who wish to establish their presence in India in a short time," says Khetawat. ◆ www.plus-india.com

"We are very happy with our relationship with Plus Corp. They have been very supportive and we have been very loyal to the brand"

Tapping into centuries of interaction and knowledge

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Founded by world-class engineers and consultants with an extensive interest and experience in Japan, Edkal provides R&D, software solutions and services for high-tech, process-intensive industries with a special expertise in life sciences industries like nutraceuticals, pharmaceuticals and health care.

Edkal is a unique company be-

cause of its focus on Japan and the comprehensive services it provides and markets — from supporting and enhancing ERP and custom solutions for customers, to content and IP management to the more obscure algorithm application for Japan — specific hedge fund management and circuit simulation for nanotechnology.

That dedication finds the entire staff learning Japanese two hours

a day in a dedicated facility in line with a goal to form a bilingual and bicultural staff that can communicate easily with Japanese clients.

This is unprecedented in India, where only 3 percent of the total IT service exports go to Japan. Edkal is clearly serious about making solid, long-term partners in Japan.

"With more than 25 years of personal experience in health-care technology, IT and business, our chairman Dr. Majeed and I are of

the same positive opinion about our experience and our success with Japan. We share a vision of the company becoming the most preferred organization that provides solutions, products and services of quality and value to Japan in our areas of expertise and focus," says CEO Vinod Kumar. ◆ www.sabinsa.com

www.sabinsa.com
www.edkal.com
www.samilabs.com

From outsourcing to a source of innovation

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Takedagawa, Honda Siel Cars India's managing director, is confident enough in the future of Honda cars in India to have leased their new factory space in Gurgaon for 99 years.

Another successful joint venture is seen in the ongoing relationship between the globally-minded industrial family of the Kirloskar and Toyota. Both are enduring players in the person-to-person relations that are so important to the health of international business, and they have spearheaded projects aimed at bridging cultural gaps between the two business communities such as The India Japan Initiative that is led by Geetanjali Kirloskar.

The new direction of technology transfer

While Japanese technology helped bolster the economy in the 1980s, today's trend is actually the reverse. The Japonization of Indian manufacturing has been met with the Indianization of those same processes — the incorporation of information technology to improve the overall efficiency of operations from the factory floor to the

sales floor. Indian IT know-how is making its way to Japan and it is not just savvy international businessmen who are beginning to recognize the potential.

Yokohama's forward-thinking Mayor Hiroshi Nakada recognizes the value of Indian IT and has conducted several visits to the southern city of Bengaluru in the hopes of attracting its talent to his city. Known to many as the Asian Silicon Valley, it is this city, above all others, that illustrates the potential of this burgeoning economy.

Bengaluru: A model for modern India

The story of India's IT boom is centered in one city: Bengaluru (changed in September 2006 from the English "Bangalore"). The city is the emblem of the country's technical skill and a clustering of some of its most powerful technical brain trusts and offshoring facilities.

The city has long been home to many of the country's best engineers and scientists. Due partly to its temperate climate and relatively low dust levels, the city developed a strong manufacturing and industrial

base, playing home to a cluster of public manufacturing heavy industries such as Bharat Heavy Electricals Ltd., Hindustan Aeronautics Ltd. (HAL) and the headquarters of the Indian Space Research Organization.

The critical mass of capable engineers, scientists and research professors created by these organizations eventually created the base of talented technologists that attracted worldwide attention handling much of the preventative work that diverted the infamous Y2K computer crisis.

From this opportunity came more work, creating some of the world's largest offshoring success stories. Two of India's largest IT outsourcing companies, Infosys and Wipro, are located here, along with a host of other up-and-coming companies such as MindTree, iGate and Edkal.

Heavyweight IT multinationals such as Oracle, Intel and IBM have also set up major operations here, speaking volumes to the quality of the human resources available.

Bengaluru is now India's fourth-largest and fastest grow-

ing market, with the highest per capita income of any other city. This is widely attributed to the tremendous reputations of its IT companies. Of the entire world's SEI-CMM Level 5 Companies, 38 percent are headquartered in the city, giving it a prominent place in the global IT map.

Biotechnology is also blooming in this "Garden City." It is home to about 50 percent of all BT companies in India such as BioCon, Strand Life Sciences and Sami Labs. By all accounts, Bengaluru is a city on the rise.

What is vitally important to note about this phenomenon is that it is not just outsourcing and offshoring that India is known for. India is not just a source of low-cost IT labor. It is a nexus of innovation and cutting-edge design.

Lesser known startups like Encore, MobiApps, Esqube and others are quietly developing products that are changing the world while larger firms such as Aztec Software and Quest Engineering are providing world-class end-to-end solutions to world-class clients such as Microsoft and Toshiba. ◆

Encore!! Encore!!

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nascent Bengaluru startup, Deshpande's mantra rings

more true. The reverse diaspora of overseas Indians escalates day by day, and Bengaluru companies are peppered with returnees from New York, Berlin, London and San Francisco.

Many of the same minds that powered overseas companies like Texas Instruments and Microsoft have left the companies that they helped make famous to put those same skills to work for themselves in their homeland.

For manufacturers interested in partnering with top-quality design and engineering firms, these companies are worthy allies. For investors, these companies are ripe for the picking. A good look at what a company like Encore can offer will explain why.

Encore's Information Appliances

As a global ODM, Encore supplies many of the world's most respected OEMs (original equipment manufacturers) from the U.S., Germany, France and Japan with integral technology. Beyond supplying the best, Encore develops its own end-user products in software and hardware.

Most notable among these are Encore's Information Appliances family. Based on the award-winning Simputer — a basic but effective low cost mo-



Encore Software's employees represent some of the most highly-skilled workers in the country.

bile computing device that was designed to help bridge the Digital Divide — the so-called information appliances are as revolutionary as they are simple.

Several permutations of these basic systems exist, from the wireless mobile Mobilis, to the SoftComp home system. All are based on the basic principles of affordability, flexibility and integration. Their low cost allows the possibility of a truly pervasive information society — one that extends to corners and areas left out of today's computing world.

In developing countries like

Brazil and India, these systems can allow digital access to those who cannot afford or do not require full-power desktop computers — a significant boon for education, health care and e-governance.

In developed countries like the U.S. and Japan, these types of systems will create the possibility of a more robust information-age environment. Powering everything from point-of-sales computing to shopping carts, from inventory tracking to warfare, these types of systems have myriad potential. ◆ www.ncorettech.com

Bringing together the best of all worlds

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panies have the chance to enter the Japanese market immediately. Negotiating trade barriers is also significantly easier when you have a collaborative product.

Finally, ethnicity plays a major role in clinical trials, and India is blessed with total racial and genetic diversity. Japanese companies will have an ideal multiethnic test market to devel-

op a complete global portfolio right here. And in India you can do a direct compliance across Europe, the Asia-Pacific and the U.S. — from our IND to dealing with the FDA. You can back-end a full support system right here in India at an extremely low cost.

Such synergies exist. Technology can be co-developed, then commercialized, and supported by Indian companies.

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In India: 496, Industrial Suburb 2nd Stage, Yeshwantpur Bangalore, 560 022
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