

**Think India Research Foundation
Advantage India: Opportunities for the Global Citizen
Sunnyvale, CA
October 12, 2009**

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IT Newswire¹

THINK INDIA RESEARCH FOUNDATION [TIRF] presents ...
ADVANTAGE INDIA - OPPORTUNITIES FOR THE GLOBAL IT CITIZEN

TIRF is proud to bring a pioneer event to Silicon Valley -
The first public interaction between an Indian politician and the
Silicon Valley community

Dr Rakesh Mahan
Former Deputy Governor,
Reserve Bank of India
PANELIST

Mr Navin Chaddha
Managing Director,
Mayfield Fund
PANELIST

Mr M.R Rangaswami
Co-Founder,
Sand Hill Group LLC
MODERATOR

KEYNOTE SPEAKER
Dr Arun Shourie,
Former Minister, Disinvestment, Communication and
Information Technology, India

Monday, Oct 12th 2009
PlugNPlay Tech Center, Sunnyvale

Time: 6:30 PM - 9:00 PM
Fee: \$40

RSVP:
<http://www.thinkindiaresearch.org>

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Executive Summary

There are many opportunities for Indo-Americans and others to move to India. The country is on a robust growth path, like many other Asian countries, unlike the recessionary economies in the U. S. and parts of Europe. However, there also are many challenges for those willing to move—getting acclimatized, putting up with bureaucracy, poor infrastructure...

Details

Sponsored by the Think India Research Foundation (TIRF)², this was a lively event with participation by well-known Indian and Indo-American economists, politicians, and venture capitalists.

India is showing a 6.5% growth in the economy, industrial production is up 7.5% in the latest quarter, and capital expenditure is up 12%, company balance sheets are in good shape, the Bombay Sensex is over 17,000, and the overall mood in India is positive. There are many reasons for this:

- The Indian banking system has been very conservative and didn't fall into the sub-prime mortgage and other traps.
- Monetary-policy management has been very good.
- The financial industry didn't play the con-games that Wall Street did.
- The recently elected government has brought more confidence to the equity and stock markets and private industry.

¹ <http://www.itnewswire.us>

² <http://www.thinkindiaresearch.org/>

Economic reforms had come to a standstill for the last five years, except in civil aviation, but the current administration is expected to revive them. India will come out of the current economic condition, heavily affected by the Great Recession in the U. S. “India is an ocean, and a big rock thrown into it doesn’t affect it.” The Indian economy is expected to grow 8%-9% next year.

Indian states are increasingly competing to attract private industry by providing tax breaks and other incentives. In fact, when Tata Motors was forced to relocate its Nano car manufacturing plant from West Bengal last year, seven states invited Tata to move the plant to their state; eventually, Gujarat won.

India has reinvented manufacturing on the shop floor and also has realized it’s time to invite private industry to defense production. The country also needs more higher-education graduates, especially in science, engineering, and eco-friendly technologies. Advances are also being made in healthcare and distant medicine. India has to become affluent, without effluents!

Can Silicon Valley be replicated in India? Not entirely, because what differentiates Silicon Valley are:

- The ‘You can fail’ mindset, although it’s changing among the youth in India.
- Mentorship
- Access to infrastructure and capital
- Better rules and laws, and ‘clean’ government

Key to encouraging entrepreneurship is reducing the government. India once had 39 telecom-services licenses. With massive deregulation, the industry is booming, and the country is adding 10 million new mobile subscribers every month!

There are no Chapter 11-like bankruptcy laws in India, and it may take 15 to 20 years to close down a business; yet, paradoxically, thousands of businesses close down every month. Everything is true at the same time in India!

The country’s challenge is attracting young entrepreneurs. More than VCs, in many states community support, by the same caste, sub-caste or tribe, is often more prevalent.

So, is everything rosy in India? No; in fact, as an article in the current issue of *BusinessWeek* notes³, India is hurting by its pathetic infrastructure, and governments at all levels are slow as molasses in moving forward.

Mayfield Fund started in 1969 with \$1 million fund; today, it has \$2.8 billion. It’s investing in India in infrastructure, microfinance, and clean/greentech.

Apropos of ‘Reverse Brain Drain’: When the audience was asked, “How many of you would like to move back to India?” over 60% of them raised their hands! Advice to these folks: Don’t come to India for romanticism. You’ve to get acclimatized. By not returning to India, you are forcing the government to change. If you DO return to India, think of working on something beyond hi-tech. The country needs 15,000 MW–20,000 MW of new generating capacity every year. Also, avoid first-tier cities like Bangalore and Hyderabad; think of Mysore and Mangalore. To get anything done in India on a given day—legally or otherwise—requires innovation and entrepreneurship! Also, ask yourself how you can repurpose in India what you have learnt here. Lobby for government policy changes after you get there. There are certain skills in shortage in India. Someone ought to build a website for talent matching and needs between India and the U. S. Finally, if you decide to continue to live here, don’t feel guilty!

³ “What’s Holding India Back,” Mehul Srivastava, with Prashant Gopal, http://www.businessweek.com/magazine/content/09_42/b4151038045277.htm?chan=magazine+channel_top+stories