
7th Annual India Business Forum Conference: 23rd April 2009

Innovative India: Creating Value & Opportunities

Conference Report

Situated in a pleasant campus in central London, the London Business School is feeling quite pleased with itself. Not only has the Financial Times ranked it joint first for MBA alongside Wharton, Pennsylvania, but the India Business Forum team, MBA students led by Aditya Varadpande and Jigar Furia, put together an enlightening day of speakers.

The Honourable Apurv Bagri, Deputy Chairman of the London Business School Governing Body, gave a welcome speech in the first session, which included an illuminating keynote talk and panel discussion. He described how India's challenges in education and healthcare can be addressed through innovation. The keynote speech was by Sanjeev Sanyal, Managing Trustee, the Sustainable Planet Institute, Adviser and Former Regional Chief Economist (Asia), Deutsche Bank. He talked about the relationship between culture, entrepreneurship and risk-taking. Sanjeev described how in the first millennium India constituted a third of the world's economy and right up to the 11th century, India was innovative and had enormous influence on world trade. After that, Sanjeev said India "closed itself down" and "began to look inwards". He continued to explain his theory. "You can see this happening on many levels. In language, with the fossilisation of Sanskrit, India as a culture began to almost inhibit innovation. The popular view is that it happened because of repeated invasions but I would posit that we were invaded and conquered precisely because we were in decline, not the other way round." He also spoke about governance. "You need a limited, but strong state with light regulation that's properly enforced. The state has to be clear about what it is meant to do, and do it properly." Otherwise, he warns that people may revolt and informal governance can be imposed and further undermine the institutions of the state. He had positive

predictions concerning the rise of literacy in India, and said that in public healthcare, public sanitation and drainage might be more of a priority than building hospitals.

In 'The Economic View: India Fertile Ground for Innovation?' panel discussion that followed, the opening note by Alastair Newton, MD and Senior Political Analyst, Nomura International Plc, provided an impressive overview of the Indian situation. Newton suggested that the process of economic reform should continue under the new Indian government with the development of the corporate bond market and fiscal consolidation and that India's economic fundamentals will remain in good shape. In the same panel, Nish Kotecha, Founder and Senior Partner of Sphere Partners and President of TiE UK, also spoke. "Entrepreneurship and innovation is happening right across rural and urban India. Some of the most important developments are happening in the rural world. Like the rain gun, sometimes the most effective ideas come from those with the greatest need." The rain gun is a low-cost sprinkler irrigation system developed by a 70-year old Indian farmer to deal with a water crisis.

In the second panel, called, 'Realising Innovation Roundtable – case studies Technology, Education, Agriculture and Wellness', Amit Mehra, MD of Reuters Market Light, gave a fascinating talk of how mobile phones have revolutionised the market for farmers. His company is providing a localised service in local languages, with 3-5 texts a day sent individually to farmers, providing the spot prices of crops like onions. Weather reports covering a 50km radius of the farmer's location are also provided. This has resulted in a reduction of wastage in crops and resources and Amit reported that some farmers are now keeping diaries of trends, with one worker gaining a 10% higher profit. With 50 million farmers in India, there is clearly a huge market for this innovation. Another key speaker on the second panel was Ramesh Vangal, founder and chairman, Katra Group. Ramesh has a groundbreaking record of introducing brands and products into India and is now working on

pioneering hugely successful Ayurvedic systems. I asked him how he managed to bring Pepsi into India when the government described the brand at that time as non-essential. “I worked to change the mindset of the government. Pepsi and products like it create employment. It’s good for the economy, it cascades down to the common man and it provides consumer choice.”

The most entertaining speaker of the day was Professor Constantinos Markides, who was identified as one of the Times’ top 50 business thinkers a couple of years ago. Using popular examples like the Barbie Doll, Constantinos hilariously demonstrated the conditions in which innovation and creativity can flourish, and those in which they can’t. Dr Rakesh Mohan, Deputy Governor of the Reserve Bank of India, gave the keynote speech of the afternoon. With clarity, insight, and helpful slides, he gave an overview of the Indian economy, an opportunity rarely available to those in the west. In his comprehensive talk, the Deputy Governor described the impact of the global financial downturn on India. “The reversal of capital flows, particularly portfolio investments into the Indian capital market, [leads] to an impact on sentiment level, and makes it more expensive for companies to raise equity capital in the domestic markets.” An important point which he elaborated upon in a post-conference interview, was that India marked itself out as different from the US and Europe in that its financial sector has not been affected and remains healthy. “Our banks are well capitalised, profitable without exception, the money markets, the securities markets, and the foreign exchange markets have all been working absolutely normally. In the case of the Indian banking system we’ve had very conscious regulatory and supervision policies to reduce the risk levels,” he crucially adds.

Following Dr Mohan was a ‘Media, Entertainment and Design – Creative Opportunities: Discussion’ panel discussion that included visual treats and more thought provoking comment. The opening note was from Colvyn Harris, CEO of JWT, and India’s biggest advertising agency. Showing a powerful ad that his company created for Nike, he talked about how the sports brand wanted an

agency that understood how to launch Nike in India. “The positioning we created was really gutsy cricket. We had to capture the passion and the energy,” rather than the sedate, gentlemanly aura surrounding the game outside India. Colvyn also showed some JWT Times of India advertisements, contrasting the successful and less successful sides of India, which have won The Grand Prix, at Cannes, the highest awards in the industry. One of them features Bollywood legend Amitabh Bachchan. “The Times of India likes to lead public debate [and] there is a whole holistic and comprehensive campaign around that ad, with game shows, talk shows, the web and radio.” Also on the panel was Madhukar Dev, MD of Tata Elxsi. His words could almost sum up the day, as he spoke calmly on innovation and the Tata group. “Indians are inherently creative whenever they are encouraged to harness that creativity without fear. We are a nation of limited resources...therefore tend to become risk-averse and if you become risk averse you cannot be terribly innovative.” Madhukar says that Tata Elxsi triggers innovation. “We encourage people to try out new things and try things from a completely different approach. Now, it does not work every time, but the fact that it didn’t work once should not prevent the same person from attempting anything out of the box again. So we go out of the way to recognise the effort that has gone in, not the result.”

The Indian High Commissioner, His Excellency Shiv Shankar Mukherjee, delivered the closing note. With speakers accessible to delegates through lunch and post-conference drinks, The India Business Forum 2009 provided an abundant amount of talent, expertise and inspiration all in one place and will be a highly memorable event for everyone who attended.

Report by: Rani Singh

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