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# INDIA: THE EMERGING MARKET



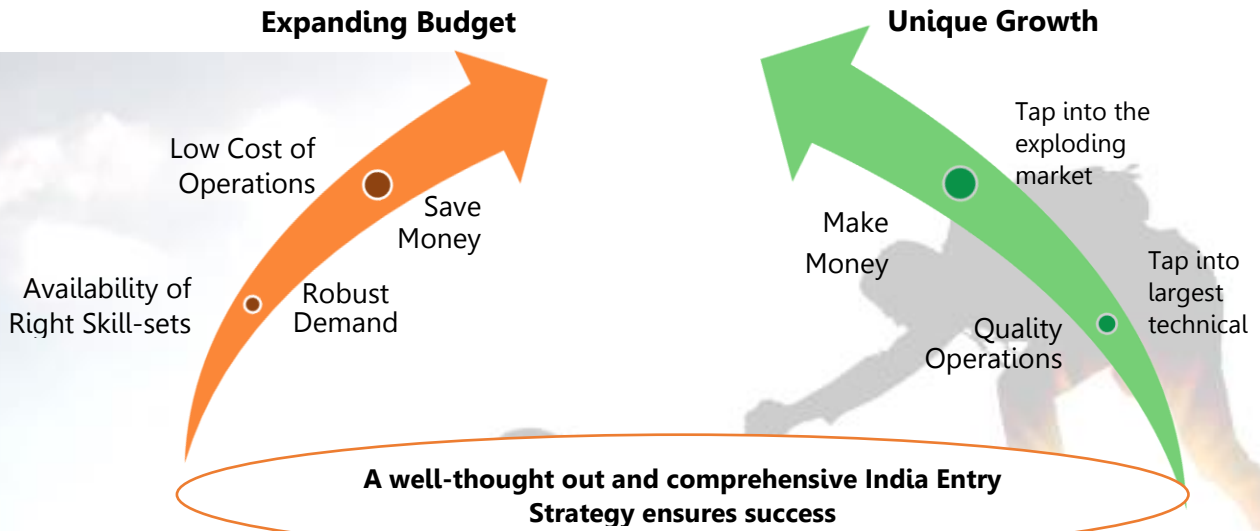
**LEGALIGENCE STRATEGIC CONSULTING LLP™**

## ❖ INDIA – THE MOST PROMISING MARKET TODAY

Globalization is important for companies to explore international markets to enhance competitive advantage and to seek growth and profit. Today, decision-makers are focusing their attention on one of the hottest "growth frontiers": India. Not considering expanding a business to India means ignoring one of the most promising new markets of the decade to come because:

- It is one of the fastest growing economies of the world, offers unique and diverse opportunities in IT, Manufacturing, Auto, Telecom, Infrastructure, Bio-sciences, Healthcare, and allied sectors.
- With one of the largest industrial and enterprise bases in the world, with 50% of its population below the age of 25, more than 65% below the age of 35, India is one of the most lucrative markets for most technology companies in the world.
- It provides huge opportunities in both B2C and B2B sectors simultaneously, and
- It has a huge pool of skilled manpower, professional managers and semiskilled and unskilled labor available at a comparatively moderate cost, often just a fraction of the rates prevailing in developed countries.

❖ INDIA LEVERAGE



❖ THE DOMESTIC MARKET OPPORTUNITY

- India's vast population with increasing purchasing power.
- Rapid shift from the low-middle classes to the burgeoning middle class, and an even faster increase in the sizes of the high and upper middle class, fuelling growth in the economy.
- Even more pronounced is the growth of a niche 'super-rich' class, now estimated to comprise of more than hundreds of thousands of households with net worth of >\$1 Mn each.

The growing size of the middle and higher consumer classes with increased income and paying capacity has spurred an increase in consumerism and brand consciousness.

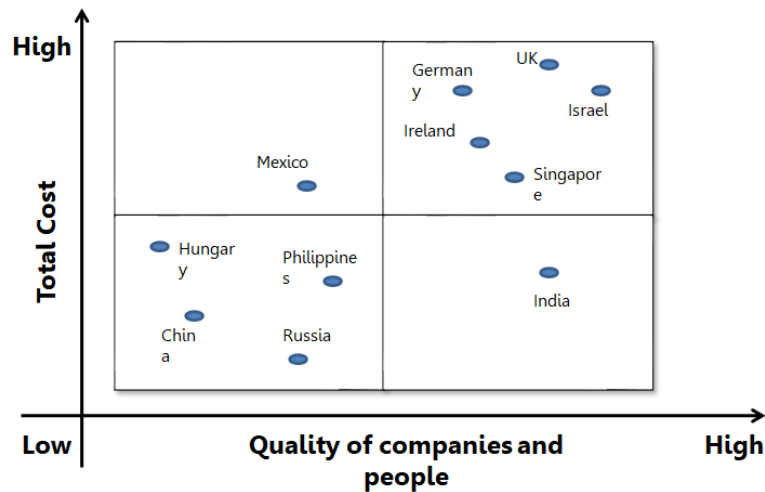
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- Companies have been taking advantage of dramatic growth in such consumer markets as automobiles, motorcycles, computers, durable goods, and cellular communication – all exhibiting compounded annual growth rates (CAGR) of 6%-29% (estimated).
- The domestic market opportunity will further be boosted by a likely increase in propensity to spend and by the growing consumption by the young generation in India.

❖ **THE OFFSHORING OPPORTUNITY**

- India accounts for roughly 65% of the global off shoring market and is expected to grow at 50-60% per annum for the next 5 years. As a result, India provides a unique opportunity to be a profit center with a huge market as well as a very effective cost center.
- This allows companies to be able to realize significant cost savings by utilizing the highly qualified talent pool at attractive rates, and translate this into an important competitive advantage.

The intellectual capital per dollar that is available in India is one of the highest in the world – Jack Welch, ex CEO, GE



## ❖ THE BENEFITS OF INDIA'S HUMAN CAPITAL EXTEND BEYOND COST

Many MNCs are seeking India for the superior management, technical talent base and well developed and state of art telecom, ISP and cellular Infrastructure that it offers. 1000s of MNCs have set up development centres and R&D facilities and in India and many have placed Indian talent in key positions in their organizations both locally and globally.

India is also emerging as the manufacturing and sourcing location of choice for various industries

India is considered a low-cost leader for the high-quality production of some manufactured goods such as automotive components, engineering equipment, power equipment, and medical systems.