

## **"Incredible India": A Panel on Swiss-Indian Partnership at the Recent AGM**

By D. Probst-Sallis, SOFI

The SICC Annual General Meeting (AGM) on June 8 departed from its traditional format with a panel of distinguished speakers who addressed the topic, "India and Switzerland - A Winning Partnership?" Federal Councillor Joseph Deiss was joined by Anjan Lahiri, Co-Founder and Executive Vice-President, European Operations, Mindtree Consulting, Bangalore and Patrick Masson, President of the Board of Directors of Bobst India to examine the opportunities and challenges facing Swiss companies in India, and Indian companies in Switzerland. The event was moderated by SICC President Franz Probst.

Federal Councillor Deiss launched the proceedings by saying that during his January mission to India, he was most struck by the great energy that the economy has. He observed that there is a lot more room for Swiss products in the Indian market and it is necessary to improve the framework in which partnerships can take place.

On the question of how to begin operating in India, Patrick Masson said one could do it as a joint venture or independently. Most important is to hire excellent local talent, and wherever possible to build good collaboration between the management teams in India and Switzerland. Correct communication is critical in this situation. He added that employee loyalty can be strengthened not only by paying good salaries, but more importantly by investing in training and ensuring conditions for professional growth.

The Swiss government is engaged in a number of activities to help SMEs who want to do business in India. On the multilateral level, Federal Councillor Deiss noted the successful round of trade negotiations in Doha. Achieving tariff concessions will require Switzerland to make an attractive offer on agricultural goods, and China and India to do so with regard to industrial goods.

On the bilateral level, Swiss business missions to India are routinely organized. Within this framework specific questions of concern to managers are addressed. There are also organizations such as the Osec business hub in India and the Swiss Organisation for Facilitating Investments (SOFI) that provide advisory and financing services to SMEs. Bodies such as SICC play an important role familiarizing Swiss business with the workings of the Indian market and building a more positive perception of the country. Beyond that it is up to the private sector to forge its own path in a market such as India, Federal Councillor Deiss observed.

In response to the question posed by Franz Probst concerning challenges that Indian companies face in Switzerland, Anjan Lahiri said that the logistics of moving people and settling into the Swiss lifestyle was sometimes difficult. To improve flows of experts from India to Switzerland, for example, it is necessary for the latter to issue permits more efficiently and to accept Shengen structures. Ultimately, he mused, "doing business in India is no more difficult than doing business in Italy...the essential thing is to reduce the cost of entry."

Regarding plans for the future, Patrick Masson said that Bobst had purchased 80'000 square meters of land and was preparing to expand their manufacturing facilities further. Anjan Lahiri said that Mindtree intended to expand into the Nordics, United Kingdom, Germany and of course Switzerland where they will open an office in Zurich and double operations. Finally Federal Councillor Deiss said that the Swiss government would continue on its current course of strengthening Indian-Swiss relations in the next 5 years. He believes that "while India is slower than China, it is more sustainable in the long run."

Wrapping up the proceedings, Ambassador Tripathi observed that India has the potential to maintain its growth rate of 8% per annum until 2050, if it can keep its leadership position in terms of skilled human resources. The country, however, should not only focus on services, but ensure diversification in the direction of manufacturing and agriculture. Swiss companies have an important role to play in all three sectors and it is crucial that companies from both countries reach out to each other in cooperation.

In the final analysis, "a country growing at 8% per annum cannot afford to be ignored," said Ambassador Tripathi. This vision was echoed by SICC Vice President Michael Enderle, who will move to New Delhi this summer to manage Rieter's Textile Machinery Operations in the country, when he summed up a thought-provoking panel and a country embodying so many extremes in two words: "Incredible India!"