

“Opportunity in International Business Post COVID-19”

StartupSathi webinar Organised by i-Hub dated –24th April, 2020

Speaker: Mr. Kris Rangrajan, Director, IIFT Kolkata,
Mr. Amit Parikh, Founder & Director, Harmony International,
Mr. Prashant Gandhi, Founding partner, Sidhi group,
Mr. Ashok Bhatia, Chief mentor, onNext Advisors LLP

About seminar:

The session focuses on the Opportunity in International Business Post COVID-19. Speakers also gave suggestion on how to grab this opportunity.

Topics of discussion:

Opportunity in International Business Post COVID-19

- ✓ The corona virus pandemic has influenced foreign firms to shift operations out of China. India must spruce up domestic business environment to take advantage
- ✓ The initiatives by the government are timely; they are coming at a time when foreign companies are looking to shift their production base out of China and their home countries are facilitating the move.
- ✓ China has been the world’s factory for the last three decades mainly because of its FDI-led manufacturing exports. Almost 50 per cent of China’s growth comes from exports, creating millions of jobs.
- ✓ Initially, China attracted foreign investors with **decentralized** and **favourable FDI policy** that had a lot of incentives with regard to land, utilities, infrastructure and logistics. Cheap labour, large SEZs, favourable pricing of inputs, and an under-valued currency facilitated and attracted foreign firms.
- ✓ India, the world’s **fifth largest economy** with an abundant labour force, offers the best alternative in terms of depth and size of the markets.
- ✓ In the past, China used its huge labour force in manufacturing by attracting FDI — it’s time for India to do the same, particularly when foreign firms are looking for an alternative manufacturing base.
- ✓ All these reforms resulted in India improving its ranking in the World Bank’s Ease of Doing Business report and also in the world competitive index in the last three years.
- ✓ No wonder, India has been ranked by multiple international bodies as one of the most favoured designations for FDI.
- ✓ Moreover, unlike China, India is a **stable democracy** where governance and rule-making is much more open and accountable.
- ✓ It is time to speed up work on the four labour codes on industrial relations **at a central level**.
- ✓ The government should augment the work on **infrastructure, logistics and trade facilitation** so that trade and transaction costs, crucial for FDI firms, are reduced.

How Covid-19 has created revenue opportunities for businesses adopting this unique approach

- ✓ The growing impact of the unprecedented human tragedy on the global economy has hampered the functioning of several sectors, including
 - Technology
 - Aviation
 - Automotive

- Pharmaceuticals
 - Banking
- ✓ Online education needs mindset change in India, institutions must use **AI, emotional intelligence**.
 - ✓ India beats these top countries to become world's 2nd most promising source of global innovation

.Suggestions: Covid-19, an opportunity for Indian industry

- ✓ The void created by disruption in global supplies can be filled by India, given its large workforce. It can focus on pharma and auto.
- ✓ The coronavirus outbreak has sent shivers down the spine of the global economy.
- ✓ It has disrupted the complex global supply chain network. The worst-hit sectors include technology and auto.
- ✓ Every industry is different. Hence it is vital to understand the diverse need of these businesses and focus on specific sectors (such as pharma and automotive), which could yield greater and faster gains.
- ✓ India cannot dethrone China before the world recovers from Covid-19. It, however, can establish itself in the manufacturing space.
- ✓ This is an opportunity for India in the post-Covid era. If we grab this opportunity, the next 30 years would belong to India at the global stage.

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Thank You.

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