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On the Road: Why India can win on some points against China

While I was in Mumbai and Pune last week, I talked to engineering companies about how they can sometimes compete about "why" was that India's openness, its democracy, and its people's flexibility enables companies to be er aspects of India that frequently drive investors crazy – especially its chaotic democracy, general confusion, and lack encourage the entrepreneurship and flexibility needed to be successful.

No one is of course claiming that India can beat China overall, but the views I heard are interesting because they st companies that India has some special advantages. M.V. Kotwal, a director of Larsen & Toubro (L&T), India's large said that China is a "regulated economy which means suppression of independent thinking, and that limits entrepre sold ten coal gasification plants totaling \$350 million to China in the past three years. By contrast, in India "there is : available, and people come out with solutions whenever they are given a chance."

A similar view came from someone else with direct China experience - Anand Mahindra, managing director of Mahi bought a tractor plant there. He said that though Chinese workers on machine tools could beat deadlines, they did r machine. "The Indian mind is not fazed by confusion and apparent disorder," he said, "If there is a wrinkle on a dye, want to fly in an expert."

Baba Kalyani, chairman of Pune-based Bharat Forge, the world's second largest forgings company which has a joint told me that India won in manufacturing in "areas with multi-technological touch-points such as high grade metal ca advantage that we have" and that it "wouldn't last long." China would catch up fast.

I discussed this with Nandan Nilekani, a founder and co-chairman of Infosys, one of India's top three IT companies, genuine innovation, you need an open society." When I scribbled that down on the back of my invitation card, he sa right, but it's interesting that it's now being cited by engineering entrepreneurs to explain why they can beat China.

A different point came from Rajiv Bajaj, who I talked about in my last post. He said that "China does not have the se the road copies you." He cited as an example that, while Bajaj Auto is the only company producing its Pulsar motorl China." (Ironically, two days after he told me this, Bajaj became embroiled in a legal patent battle over motor bike ig TVS of Chennai).

Mahindra also made the point that China beats India massively with its vast and efficient network of highways and r delivered to factories, and products to be taken on to other destinations. That India lacks such infrastructure was ap Forge's Pune headquarters. Twenty minutes before my appointment with Kalyani, we were only moments away fro railway crossing. Twenty five minutes later we hadn't moved as many yards so, after agonized phone calls between came into play. I walked through the worsening gridlock of cars, dilapidated trucks, motorcycles, and bikes to the ot motorized auto-rickshaw and chugged along to my interview, twenty minutes late