

BENCHMARK CITY: PUNE

Pune is a city with a dual image - a flag bearer of traditional Maharashtrian culture and a modern industrial metropolis. Pune, also called the 'Oxford of the East', is known for its strong network of multi-disciplinary and diverse base of educational institutions. It boasts a growing industrial hinterland, with several information technology and automotive companies setting up base in and around the city.

Today, Pune figures prominently on the radar of local, national and international real estate investors and developers. Forbes Magazine rated the city as third best in the world's top new business hubs after Chengdu in China and Toulouse in France. UN Industrial Development Organisation (UNIDO) earmarked Pune as a Dynamic City Region for Auto and IT Industry, while a study by Trammell Crow Meghraj ranks it as the fourth-best Indian IT destination.

CITY OVERVIEW

With all the characteristics of a major metropolis³⁶, Pune has positioned itself as an economic powerhouse resulting in rapid growth across a number of sectors. It is important to note that these sectors are defined by industries with high growth potential of national and international importance (e.g. Advanced Engineering in Automotive). It is this feature, combined with the city's ever-increasing 'soft power', and high location quotient that attracts the best human capital from around the country.

Pune is at a 'tipping point'; the city's growth momentum also benefits from the fact that it is the most eligible candidate city for central government assistance under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM). Leveraging this status, and recognising the city's unique potential, the State Government of Maharashtra is now developing an innovative new infrastructure concept - the Knowledge Corridor.

The Knowledge Corridor features a six lane, dual carriage expressway (the first of its kind in India) built to link Pune and Mumbai. This expressway features optic fibre cable links between the two cities along its expanse. The Corridor is defined by six major IT parks - three in Mumbai and three in Pune. These provide excellent IT infrastructure and housing, educational facilities, transport and power provisions that meet global standards³⁷.

PHYSICAL INFRASTRUCTURE

Pune's rapid growth is pushing the limits of the city's existing infrastructure. As a consequence, a metro is being planned, as is a new airport. Pune has direct flights to Dubai and Singapore. There are plenty of recreational and leisure facilities, a strong network of local as well as foreign banks and shopping areas in the current and upcoming developments.

PUNE IN NUMBERS

- 2nd largest city in the state of Maharashtra (5.1 million population)
- 8th largest city in India
- 100+ educational institutes and 9 universities
- 76.90 per cent literacy rate

There are a number of reasons why [UK Plc] should look at Pune favourably. The quality and ready availability of top-class manpower, the level of SMEs already existing in the city...and the focus on infrastructure by the state government make this city an ideal region to do business [with].

Anant Sardeshmukh, Director General,
MCCIA

Pune Airport is situated in the Lohagaon area, about 12 km from the city. Indian Airlines and Jet Airways provide regular flights to Pune from Delhi, four flights a week to Chennai and Bangalore, two to three flights daily from Mumbai and to Ahmedabad, Hyderabad and Goa. Pune has excellent railway services connecting all major cities. Pune is also one of the destinations enroute the famed 'Deccan Odyssey'. India's first access controlled expressway, the Mumbai-Pune Expressway is a six-lane expressway which extends between the two cities, over a distance of 92 km and is the first of its kind in India of its size with concrete pavements.

INDUSTRY

State Government policies are geared towards sustainable growth for Pune and its geographical neighbours. This includes nurturing industrial clusters, facilitating smooth exit options for sick industries and reviving sick units if viable, streamlining procedures, and strengthening institutional support. Broadly, industrial policy is aimed at:

- Strengthening the micro, small and medium manufacturing enterprises
- Providing special incentives for units in low Human Development Index Districts
- Promoting mega projects (defined by an investment of over GBP 72.7 million or generating employment for over ever 1000 persons)
- Promoting development of new industrial townships³⁸

Pune attracts 20 per cent of the total industrial investment in the country and accounts for GBP 1,411.3 million in IT exports, the highest for a single city.

Magarpatta City, a self-sufficient township has attracted interest from IT companies due to the IT Park being developed within the township. The State-promoted Rajiv Gandhi InfoTech Park at Hinjewadi has attracted several infotech majors from around the world. Top Indian IT players like TCS, Infosys and Wipro have also established a major presence here.

INVESTMENT CLIMATE

Pune's GDP of GBP 16,230.3 million³⁹ and GDP growth rate of over 15 per cent (until 2007)⁴⁰ relies heavily on both domestic and overseas investment. According to a Forbes survey in 2006, Pune was featured as one of the top ranking emerging cities in the world. Demographics also make Pune an enviable investment destination with over 50 per cent of the population being under the age of thirty.

PUNE: INDIA'S 7TH METRO?

According to a recent study conducted by ASSOCHAM Eco Pulse (AEP), Pune is set to join the league of India's six metropolitan cities with the pace of development catching up fast in providing infrastructure facilities, business friendly environment, diverse avenues for higher education & training, and employment opportunities.

The study on the "The 7th Emerging Metro City in India" analysed 4 Emerging Cities: Pune, Ahmedabad, Lucknow and Chandigarh, ranking them on 8 parameters necessary for a metro city. These include social infrastructure, infrastructure availability, real estate cost and availability, transportation facility (connectivity), presence of quality educational institutes, employment opportunities, facility of financial services and business environment.

Pune ranked first across 5 of the 8 parameters in the league tables

³⁶See Box: 'Pune: India's 7th Metro'
³⁷Pune Municipal Corporation

³⁸IBEF (2007)
³⁹Kopardekar (2008)
⁴⁰Monocle (2008)

SOCIAL INFRASTRUCTURE

HEALTHCARE

Ruby Hall Clinic and Jehangir Hospital are prominent hospitals with well equipped staff consultants, panel doctors and paramedical staff. Ruby Hall Clinic has state of the art facilities in cardiology, cardiac surgery, neurology (includes a nuclear science centre), diagnostic centre, intensive care units, a blood bank and cancer unit.

UNIVERSITIES AND EDUCATIONAL INSTITUTIONS

Pune has more schools, colleges and universities than any other city in the world. Famous institutes like Pune University, Film and Television Institute of India, National Defence Academy, Armed Force Medical College and College of Military Engineering are situated here. Interestingly, Pune is the largest centre for Japanese learning in India.

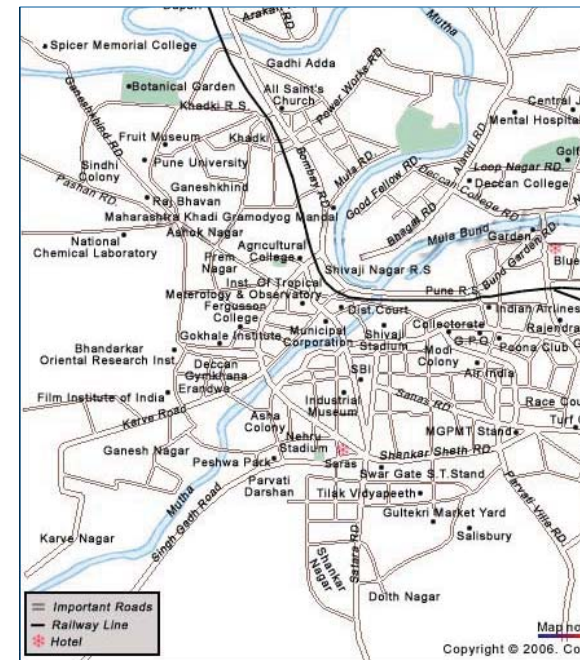
The Deccan College and Fergusson College are amongst the most reputed colleges of the country. Symbiosis International University, which operates thirty three different colleges and institutions in the city, is one of India's largest private universities. Its institutions, namely The Symbiosis Institute of Management Studies, Symbiosis Institute of Business Management and Symbiosis Centre for Management and Human Resource Development are amongst the top management institutes in the country.

ILS Law College, established by the Indian Law Society is one of the top ten law schools in India. Established medical schools such as the Armed Forces Medical College (AFMC) and Byramjee Jeejeebhoy Medical College train students from all over Maharashtra and India, and are considered to be premier medical colleges in India. Military Nursing College (affiliated to the AFMC) is ranked as a top nursing college in the world.

In addition to the University of Pune, Pune is home to several research institutions of national importance. Located adjacent to the university is the National Chemical Laboratory (NCL), one of the Indian Institutes of

Science Education and Research (IISER) and the Centre for Materials for Electronics Technology (C-MET). The University campus houses the Centre for Development of Advanced Computing (C-DAC), Inter-University Centre for Astronomy and Astrophysics, the National Centre for Radio Astrophysics (NCRA) and the National Centre for Cell Science (NCCS).

The City is also home to India's premier antibiotics research institute, Hindustan Antibiotics Ltd. (HAL), established in the year 1954.



[For graduates] Pune is now being looked as at a city to 'migrate to' rather than 'migrate from' post [their] education. Sector-wise, the city is widespread and not dominated by one or two areas. In the last 5 years, services as a whole has done well – BPO, KPO, Hospitality, Healthcare, Retail etc. This has complemented the already well established manufacturing and production base of automotive and ancillary industries.

Pratik Ghosh, Manager, Commercial Initiatives, Forbes Marshall

CITY ECOSYSTEM

SOCIAL AND PROFESSIONAL NETWORKS

The cosmopolitan nature of the city combined with an entrepreneurial spirit amongst technocrats has facilitated the creation of diverse networking-oriented groups apart from conventional organisations that now mark the landscape in most cities. Bar Camp and Open Coffee Club are two such examples of entrepreneurship support groups that provide a formal interface with venture capitalists, private equity investors, and mentors for young businesses.

LOCAL MEDIA

English dailies such as The Times of India, The Indian Express, Pune Mirror and Sakaal Times (formerly Maharashtra Herald) have editions based in Pune. Marathi newspapers such as Sakaal, Loksatta, Lokmat, Kesari, The Maharashtra Times and Pudhari are also popular.

LANGUAGE AND CULTURE

As a city with a predominantly Marathi-speaking population, Pune is closely associated with Marathi art, literature, drama, and religious beliefs. Many Marathi writers, poets, actors, singers, and other celebrities live in Pune. In recent years, multiplexes, malls, and clubs have also opened up as the younger, westernised college students, and young professionals make their presence felt.

CASE STUDY P1: COMMONWEALTH YOUTH GAMES, 2008

India's cities are leveraging opportunities presented by mega-events for urban development and skills generation. The Investment Commission of India, in its 2005 report, recommends that cities should host mega-events to catalyse rapid economic development and improve regional competitiveness. Pune hosted the third Commonwealth Youth Games in 2008, the first in Asia. The Pune games, which served as a pre-cursor to the Delhi 2010 Commonwealth Games, played host to young athletes from seventy-one commonwealth countries. The event, conducted between the 12th and 18th of October, 2008 – included a Youth Baton relay that toured the country and culminated in Pune along with grand opening and closing ceremonies. Capitalizing on the 'youthful' image of the city, the Commonwealth Youth Games were instrumental in identifying and building on the inherent strengths of Pune.⁴¹

Pune is said to be the cultural capital of Maharashtra. "It epitomizes the Marathi culture which lays emphasis on education, arts and crafts, music and theatre". Every year, it plays host to Savai-Gandharva, "a three night long cultural programme of classical music". Pune culture reflects a blend of traditions with modernity.

⁴¹Commonwealth Youth Games (2008)

BUSINESS SUPPORT

With the presence of almost every major industry within the economic geography of Pune, there is a need for business support functions that enable maximum utilisation of resources and networks. The Maharashtra Chamber of Commerce, Industries and Agriculture (MCCIA) plays a vital role in developing task forces for key industries, creating networks and spurring innovation in untapped sectors. Apart from the MCCIA, there are organisations like the British Business Group (BBG) and UKTI offices that enable connections and provide services to organisations with British roots or British interests.

STATE AND STATE AGENCIES

The Pune Development Authority (also known as the Ministry of Urban Development of Pune) is responsible for Public Works, the Pune Municipal Corporation (PMC), Pune Cantonment Board, Dehu Road Cantonment Board, Khadki Cantonment Board and the Pimpri-Chinchwad Municipal Corporation. Are all engaged in the development and maintenance tasks of the city.

CASE STUDY P2: INDIA'S FIRST CHIEF INFORMATION OFFICER – IN PUNE

India's cities are characterised by unplanned urban infrastructure development. Often, the lack of coordinated and effective central planning is a result of information asymmetry. In January 2008, to address this challenge, the first-ever Office of Chief Information Officer was created by the Software Exporters Association of Pune (consisting of over one hundred and fifty IT companies). Developed as a public-private partnership, the initiative aims to create a range of shared information services for the city. The partnership is open to any government organisation that wishes to improve public service delivery through the effective use of information. The CIO's core function is to make connections and collaborations between various elements of a city.⁴² With a mission to create products like a common access 'Pune Card' (an all encompassing data storage device for every citizen's transactions, whether financial or information based) the CIO's office believes that Pune can get more organised. Pune's eminent citizens, too, believe the environment is sufficiently forward thinking for the CIO's office to make a positive impact on the city.⁴³ Plans include an initiative to make Pune India's first wireless city. The Intel Corporation, Pune Municipal Corporation (PMC) and Microsense have joined hands to commercially roll out the first phase of a Wi-Fi and WiMax network in the city. The first phase of the Unwire Pune project deployment aims to provide wireless connectivity in a 25 sq. km. expanse of the city.

⁴²Saraph (2008)

⁴³BBG

ECONOMIC GEOGRAPHY

As a manufacturing and IT hub, there is only as much infrastructural development that can take place within the conventionally understood boundaries of 'Pune'. Quite like Delhi, which expanded into satellite towns of Gurgaon, Noida and Ghaziabad to create the 'National Capital Region', the economic geography of Pune now stretches across several areas.

CASE STUDY P3: PIMPRI CHINCHWAD

The twin cities of Pimpri-Chinchwad have managed to maintain their separate identity despite being in the shadow of the cultural capital of Maharashtra - Pune. The industrial belt of Pimpri-Chinchwad includes a wide range of industries like automobiles, pharmaceutical and biotechnology with various National and Multinational companies like Forbes-Marshall, ThyssenKrupp, Alfa Laval, Sandvik, Finolex and SKF. The auto cluster in Pune is almost entirely based in the 65 sq km Pimpri Chinchwad area. The city currently has 8,000 engineering units of various sizes including those of the major auto manufacturers. Puneites often refer to the region as the 'Detroit of India'. Major automobile companies like Bajaj Auto, Tata Motors (formerly Telco), Kinetic Engineering, Force Motors (formerly Bajaj Tempo) and DaimlerChrysler dot the landscape of this area.⁴⁵

AREA	INDUSTRY ⁴⁴
Chakan	Automotive
Hinjewadi	IT
Ranjangaon	White goods
Talegaon	Floriculture
Daund	Chemicals
Pimpri Chinchwad	Auto and Manufacturing

ENTREPRENEURIAL ACTIVITY

Pune attracts talent because of the high density of higher education institutes present in the city. Forums like Bootstrap-Pune, The Pune Freelance Meetup Group, and Entrepreneurs' International are spawning a generation of entrepreneurs.

TATA-NEN's 'Hottest Start-ups' awards for 2008 showcased forty-one new companies based in Pune.⁴⁶ The IT sector has often been the mainstay of entrepreneurial activity. As an automotive hub, the ancillary industry catering to major players has also created room for innovations and product design.

Thanks to its dreamers and planners, Pune is shattering the back office paradigm. After a boom decade in IT and car manufacturing, the city has embraced design, animation and gaming – sectors formerly considered the preserve of the developed world, and consequently, found another economic gear.

David Lepeska, Monocle

CASE STUDY P4: DESTINATION PUNE – A STORY OF TWO ENTREPRENEURS

Anthony Hsiao and Nick Adams, graduates of London-based Imperial College, decided to look eastward after completing their respective courses. India was a natural market choice for them to start a business in travel and internet solutions. The more difficult question then became, *where in India?*

A blog post titled "Can Pune become the next Silicon Valley of India?" offered some clues. Pune had all the characteristics for a thriving entrepreneurial ecosystem, offering low real estate prices, room for development, and an emerging and respectable niche as a location for global business.

"As budding entrepreneurs interested in providing a broad-based service, we felt that we'd drown in a city like Mumbai, Delhi or Bangalore. Pune was clearly a more interesting option for us considering the fact that it's an IT city with a creative undercurrent and very young", says Nick Adams.

So in September of 2007, Nick and Anthony headed to the 'Oxford of the East'. Without any real support systems in place, the two threw themselves into the hustle and bustle of setting up a business in a foreign city and have since, not only learned to stay afloat, but swim confidently. Their website, www.entrip.com, is an online integrated travel utility that helps people plan their trips, capture experiences and share them in a meaningful way.

Nick and Anthony have since appeared in a Bollywood movie, made new friends and set themselves up as role models in an active business community thriving with budding entrepreneurs. They are regular invitees at the city's various networking events organised by the 'Open Coffee Club' and 'Bar Camp'. They believe the business camaraderie in these communities helps establish the required level of comfort necessary for expat entrepreneurs like themselves.

⁴⁴MCCI

⁴⁵Pune Municipal Corporation

⁴⁶Tata NEN Hottest Startup Awards 2008

MAJOR PLAYERS ACROSS KEY PRIORITY SECTORS

SECTOR	MAJOR PLAYERS	MAJOR ACTIVITIES
Advanced Engineering	<p>Indian Players: Bajaj Auto; Tata Motors; Force Motors; Kinetic Motors; L&T; Apollo Tyres; Accurate Engineering; Deepak Fertilisers; Bharat Forge Ltd.; National Chemical Laboratory (NCL)</p> <p>UK MNCs: JCB Manufacturing; Caepro Technologies Pvt. Ltd.; Helical Technology; CP Engineering; Buro Happold Consulting; Kingspan India; Romax Solutions; Arco Safety Clothing & Equipment India Pvt. Ltd.</p> <p>Other MNCs: Daimler Chrysler India; Piaggio Vehicles; John Deere; Toyota Kirloskar; Carraro; Seco Tools; ZF Steering</p>	<p>'Detroit of the East'; Manufactures most auto components for world markets; Accounts for more than 50 per cent of automobile production in India; 70 per cent of SMEs based in Pune are dependent on the Auto sector; 50 per cent of new investment in the region between 2001-05 was in the auto sector</p>
Built Environment	<p>Indian Players: Panchshil; B.G Shirke; Design Concepts; Tata Technologies; Tata AutoComp Systems; Neilsoft</p> <p>UK MNCs: Benoy</p> <p>Other MNCs: Cummins Research and Technology India Ltd.; Dana Inc.; LG</p>	<p>Almost 20,000 people are involved in the Design sector; Bharat Forge, Honeywell Automation India, and Atlas Copco are developing design divisions in Pune</p>
Creative and Media	<p>Indian Players: National Film Archives; FTII; Sakaal Group; Taj Blue Diamond; Anibrain; Selve</p> <p>UK MNCs: Britons Carpet; Get Through Guides</p> <p>Other MNCs: Nvidia India</p>	<p>Creation of the 'Animation and Gaming' Committee at the MCCA with goal of attracting global players in the field and making the city a 'hub' for such activities; Well equipped infrastructure (auditoriums, theatres) for artists along with a wide cultural mix due to its young population; Entrepreneurs are increasingly shifting to the creative arts in order to cater to the city's neighbour (Mumbai) and a growing middle class within the city itself</p>
Energy	<p>Indian Players: Thermax; Praj Industries</p> <p>Other MNCs: Suzlon</p>	<p>Development of the world's largest wind-park in Dhule (Maharashtra) is underway. It's intended capacity is well over 1,000 MW; Matrix- a new research and development centre by Praj industries-was launched in April 2008, focusing on process development for high-energy ethanol blends; The Industries of automobiles (and auto-components), Biotechnology and Agro Processing have encouraged the development of the Energy Sector</p>

SECTOR	MAJOR PLAYERS	MAJOR ACTIVITIES
Environmental Sciences	<p>Indian Players: State Agriculture Department; Maharashtra Association for the Cultivation of Science (MACS); National Chemical Laboratory (NCL); Thermax</p> <p>Other MNCs: Forbes Marshal; Dow</p>	<p>Exhibited Interest in best-case practices and technologies from global players in this space</p>
Financial Services	<p>Indian Players: Bajaj Allianz; Bank of Maharashtra</p> <p>UK MNCs: HSBC, Standard Chartered and PWC</p> <p>Other MNCs: KPMG; E&Y</p>	<p>Major players in banking and financial services have or are in the process of setting up back-office operations in Pune; Increased entrepreneurship activity has put the city on the radar of PE firms and VCs</p>
Food and Drink	<p>Indian Players: Gits Food Products; Pravin Masale; Venkateshwara Hatcheries Group; Venkys; Chordia Group; Weikfield Products</p> <p>Other MNCs: Frito-Lay; Cargill Foods; Tetra Pak; Coca Cola</p>	<p>Almost two thousand primary, secondary and tertiary units are engaged in food processing;</p> <p>A 200-km floriculture park, 40 km from Pune, is to promote the Dairy and Floriculture sector;</p> <p>A Key marketing centre for agricultural products</p> <p>Chordia Food Park is the first private food park in the country</p>
ICT	<p>Indian Players: Infosys; Tech Mahindra; Wipro; Zensar Technologies; Dishnet; Tata Consultancy Services (TCS)</p> <p>UK MNCs: Delcam Software India; HSBC Software; Cerillion Technologies India</p> <p>Other MNCs: IBM; Cognizant; Amdocs; Eaton Technologies; Convergys; Mphasis; WNS; EXL</p>	<p>Knowledge corridor between Mumbai and Pune</p> <p>Rajiv Gandhi InfoTech Park; Over hundred new IT companies have been registering every year since 2003; Export turnover in 2005-06 was GBP 1,324.8 million; The IT industry registered a growth of 48 per cent; Eighty-three new IT parks are coming up in the city</p>
Life Sciences	<p>Indian Players: Shreya Biotech; Hindustan Antibiotics; National AIDS Research Institute; National Chemical Laboratory; National Institute of Virology; Jehangir Hospital; Ruby Hall Hospital; Serum Institute; Bilcore</p> <p>UK MNCs: GlaxoSmithKlein</p> <p>Other MNCs: Emcure Pharmaceuticals</p>	<p>The country's first penicillin factory was setup by Hindustan Antibiotics in 1954 in Pune; 136-acre Biotech park has been established; India's first Biotech zone is in Pune; 50 per cent children in the world are immunised using vaccine produced at the Serum Institute</p>

POTENTIAL BUSINESS OPPORTUNITIES

BUSINESS OPPORTUNITY OWNER

P1 is an enterprising start-up, led by a young team, which develops easy-to-use software in areas of Event Management and Product Engineering. They were nominated for the Tata NEN Hottest Start-up Award 2008. Established in March 2007, its annual turnover is approximately GBP 14,500.

The company has three active and successful service offerings (internet-based tools) currently in the market. Their products are designed with the explicit intention of helping firms grow using simple and cost-effective technology solutions to everyday problems. One of their flagship products has been ranked as one of the top nine event management websites by EventsAuthority.com

It has also developed a cell-phone based intelligence tool for the Pune police. It has also provided technology-based product-engineering services for three firms, one of which is the UK-based Insight Productions. Their other product contracts have come from firms based in India and South Africa.

The firm has a partnership with Insight Productions in the UK for the development and maintenance of their online business-social web application. All the firm's servers, networking bandwidth and related systems are hosted and leased out from vendors in the United States.

Its three-to-five year vision is to become a major player in the event management software and applications space.

LINKAGE WITH UK INDUSTRY CAPACITY

The opportunity could help create potential linkages with UK industry capacity in the **ICT**, and **Creative** and **Media** sectors.

Within these, the sub-sectors it maps back to are **IT**, **Software** and **Graphics**.

The opportunity owner is looking for collaboration with UK based experts in domains of Events, Tourism, Film, TV and Media on existing and forthcoming products.

P2 is an end-to-end research and information provider. Established in 2000 as a website, the firm re-oriented itself towards providing more 'traditional' research products after the crash of the dotcom bubble. The firm now has over 70 employees and is led by a dynamic and experienced team.

It has been ranked as one of 'the top 10 independent research and data providers on outsourcing, by the *Black Book of Outsourcing*, for two years (2008 and 2009) consecutively now. Its research has been quoted by eminent sources like the Financial Times, Times Magazine, The New York Times, Washington Post amongst others. The company is targeting 50-60 per cent growth per annum, for the next 3 years and aims to be one of the top research brands in the country.

Although it has several business partnerships with

The opportunity could help create potential linkages with UK industry capacity in the **Financial Services**, **ICT**, and **Creative** and **Media** sectors.

Within these, the sub-sectors it maps back to are **Investment Management**, **Corporate Finance Services**, **Banking**, **Risk Finance**, **Publishing**, and **BPO**.

The opportunity owner is looking for strategic partnerships / collaborations to build capacity in its area of expertise. It is also seeking a possible merger opportunity in the knowledge services industry exists to develop niche knowledge-based products.

The opportunity owner also seeks to co-develop research materials like business intelligence journals, research products and sector specific insights that

foreign companies in place (whose nature it has not disclosed), it does not have any financial participation from a foreign partner

While some of its research work is driven by client-briefs, most research reports are developed as off-the-shelf products. Current verticals include research services (custom and off-the-shelf), outsourcing practice, and an online knowledge portal. The portal hosts an aggregation of proprietary and third party content and a unique community of investors and advisors.

Along with the publishing traditional research products, its research fills the niche voids of market knowledge that exist today, e.g. legal services, publishing, analytics research outsourcing, and educational/e-learning outsourcing. To take this further, it is currently developing interest groups or communities around these subjects with the intention of bringing buyers and providers of these services together. Towards this, they are planning to hold a conference in the UK and the US, in the first quarter of 2010.

It caters to firms in the Financial Services, Pharmaceuticals, IT, Creative and Media, Manufacturing, BPO and Healthcare sectors. Current clientele includes MNCs, international consulting firms, investors, asset management companies, BPOs, KPOs, IT firms, brokers, retail investors and advertising agencies, 75% of their clients are based outside India (Most of EU, Australia, US, Singapore).

Over the next few years, its growth strategy revolves around positioning itself as a top-of-the-line research brand that provides thought leadership within its area of expertise.

cater to the UK and India market.

This opportunity demonstrates a market entry point to tap the growing knowledge industry market in India.

BUSINESS OPPORTUNITY OWNER

P3 is a young firm that deals in graphic design, game development and animation. Established in January 2008, it currently employs 9 people. It provide digital arts solutions like animation, graphic design, game development and production on User Interface (UI) to clients. Past clients include Microsoft, Wipro, MTV, Syntel and Big Animation. They also develop games for a US-based game studio. The firm has tied up with Kurukshetra University (Haryana) to provide animation and gaming training, and has also signed agreements with engineering colleges in Jodhpur, Bhopal and Karnal to develop animation courses.

LINKAGE WITH UK INDUSTRY CAPACITY

The opportunity could help create potential linkages with UK industry capacity in the **ICT**, and **Creative** and **Media** sectors.

Within these, the sub-sectors it maps back to is **IT**, **Software**, **Graphics**, and **Gaming**.

The opportunity owner is seeking tie-ups for knowledge development; Looking to partner with firms for development of content.

BUSINESS OPPORTUNITY OWNER

P4 is a niche publishing company focused on banking, financial services and insurance. Established in 2006, they currently employ fifteen to twenty people. The firm publishes a renowned journal, which is a continuous source of information for the banking industry on the areas of risk management and compliance. It also publishes the Indian Banks' Association's flagship magazine.

The firm also conducts and publishes market/survey reports and hosts industry conferences along with providing a wide range of consulting services within its area of expertise to banks, suppliers and investors. They have organized four editions of their annual summit on risk and compliance. They also organised a payments summit in 2008, the first in an annual series. Their summits have seen sponsorships from Oracle, Datacraft, Nokia, Tata Consultancy Services, HCL, SAS, Cisco, Infotech, Websense, Dow Jones and Experian.

While the company does not have any overseas clients or experience, it is led by a management team that possess vast international publishing and banking experience. They were also featured as a Hot Start-up by Tata NEN's Hottest Start-ups Award in 2008.

LINKAGE WITH UK INDUSTRY CAPACITY

The opportunity could help create potential linkages with UK industry capacity in Creative and Media and Financial Services in the sectors.

Within these, the sub-sectors it maps back to are **Publishing, Banking, and Risk Finance.**

The opportunity owner is looking for content partnerships across the broad range of Financial Services. It is also looking to expand market reach across India and internationally.

P5 is a firm established in April 2003 as a 100 per cent export company (EOU) with the intention to provide skilled services to customers in US and Canada primarily. Its current turnover is GBP 250,000, and it employs twenty people.

The firm started with a focus on custom web application and development using open source technologies with small to medium businesses (SMBs) as clients. Consequently, the firm developed several e-commerce websites allowing businesses to have a complete web presence and online payment integrations.

While the company does not possess any international experience, it has a reputation of retaining 90 per cent of its client base.

By 2012, the company hopes to achieve the Capability Maturity Model (CMM) Level 3, along with becoming a million-dollar company. It is in the process of targeting Fortune Companies in the Financial, Hospitality and e-learning verticals.

The opportunity could help create potential linkages with UK industry capacity in the **ICT and Financial Services** sector.

Within these, the sub-sectors it maps back to are **Corporate Financial Services, Banking, Asset, Investment and Equity Management, and IT.**

The opportunity owner is interested in mergers/acquisition for collaborative business development with UK firms in the relevant verticals.

Given the growth envisaged by the opportunity owner, the company would also need to engage with specialists in the relevant domains to develop and design products.

BUSINESS OPPORTUNITY OWNER

P6 is a Public-Private Partnership between the Pimpri Chinchwad Municipal Corporation (PCMC), International Institute for Energy Conservation-India (IIEC-India), Science and Technology Park (STP), and United States Agency for International Development (USAID).

The Centre is the result of the evolution of a programme that was initiated by IIEC India and USAID in 2004. The programme aimed to promote sustainable building technologies, though policy changes, stakeholder engagement, performance assessment tools, and fiscal incentives. The programme also developed a voluntary assessment rating and certification mechanism that judged constructions according to the Eco-housing assessment criteria. The first version of these criteria was developed for the Pune Municipal Corporation (PMC), and was later adopted by the Pimpri Chinchwad Municipal Corporation (PCMC) and the Municipal Corporation of Greater Mumbai (MCGM).

The Centre was envisaged to give the project an institutional basis for further development. Its scope of activity has been limited to technology demonstration, undertaking training programmes, certification of new buildings, research and technology incubation. Its focus areas are; energy efficiency, eco-friendly construction material, water management, sustainable land use techniques, health-enhancing techniques, transport and logistics, and pollution.

The Centre is in its initial phases of development, with IIEC India filling in as the principal implementing agency. Land for construction of the Centre's facilities has been allotted by the PCMC, and design for the facilities has been finalised by IIEC India.

LINKAGE WITH UK INDUSTRY CAPACITY

The opportunity could help create potential linkages with UK industry capacity in the Built Environment sector.

Within this, the sub-sectors it maps back to are **Green Buildings and Sustainable Building Technologies.**

The opportunity owner offers the routes for collaborations:

1. Endowment to cover cost of construction
2. Technology demonstration in the exhibition centre
3. Development of Library and related infrastructure
4. Membership of the Centre, which includes access to information and discounts on the Centre's publications and programmes
5. Contribution in content development, by sharing technical knowledge base

In return, the opportunity owner offers opportunities for co-branding, membership benefits, a networking and marketing platform, opportunities to engage in advocacy of green building technology, and participation in the Centre's outreach programmes.

P7 is a biopharmaceutical and biotechnology company that was setup in 2005. The company was incubated at the Science and Technology Park (STP), Pune, and currently employs forty people. Its turnover for 2008-09 was GBP 436,700; its target for next year is GBP 1.164 million. It is led by a team of three vastly experienced managers, two of whom are doctors. The company's management publishes regular research papers in many eminent international trade journals.

The company deals in four main verticals; contact research, veterinary genomics, molecular diagnosis and agrobiotics.

The company undertakes contract research in the fields of molecular biology, gene expressions, protein expressions, allelic discrimination, molecular cloning, DNA sequencing, and pure genomics. Its clients include Government agencies, Ministries, and Pharmaceutical

The opportunity could help create potential linkages with UK industry capacity in the **Life Sciences** sector.

Within this, the sub-sectors it maps back to are **Pharmaceuticals, Biotechnology, Food Plants, Microbial Research, Biomedical Research, and, Diagnosis.**

The opportunity owner is looking to collaborate with UK companies to co-develop and manufacture low-cost molecular diagnostic kits to cater to the Indian market.

companies amongst others.

It is the only company in South Asia that caters to the veterinary sector as a separate commercial vertical. Its present focus is limited to cattle and it soon plans to branch out, and cater to the livestock sector as a whole. It offers genetic selection services, artificial insemination services, and special selection of cattle. They have already screened over 2000 animals in the past two years. Their clients include the country's major milk cooperatives. They are also in talks with the Government of Maharashtra to collaborate in this sector.

Molecular diagnosis is the largest vertical of the company. It has a network of over 600 practices all over India, which offer diagnostic services. Its in-house R&D cell develops diagnostic products for this vertical. They will soon be launching seven research products and three molecular diagnostic products.

Agrobiotics is the most recent vertical that the company has entered. It is launching agrobiotic diagnostic kits this year.

Over the next few years, the company plans to enter the predictive genomics sector.

BUSINESS OPPORTUNITY OWNER

P8 is a SPV established in 2006 under the Industrial Infrastructure Upgradation Scheme (IIUS) 2003 of the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry to provide common development facilities to the auto sector. The Pimpri Chinchwad Municipal Corporation (PCMC), Government of India (GOI), All India Rubber Industries Association, Association of Promotion of Plastics, and Maharashtra Chamber of Commerce, Industries & Agriculture (MCCIA) support the Institute.

The Institute received an initial grant of GBP 9.7 million from the Central Government to meet its infrastructure expenses, and setup three Centres of excellence specialising in auto electronics, computer-aided manufacturing, and rubber, polymer and plastics. These Centres provide technical support to members and contract-consultancy services. Built-up area of the Institute is close to 100,000 sq. feet.

The focus area of development was auto-components and ancillaries. Facilities offered include, environmental testing, rubber and polymer laboratory, CAT/CAM centre, design and style studio, rapid prototype development, incubation, and training.

The Institute generates revenues by charging users for

LINKAGE WITH UK INDUSTRY CAPACITY

The opportunity could help create potential linkages with UK industry capacity in the **Advanced Engineering** sector.

Within this, the sub-sector it maps back to is **Automotive**.

The opportunity owner is looking for knowledge partners for technology transfer from the UK in the auto sector. Its long-term vision includes the development of a comprehensive research programme.

The opportunity owner is also open to providing local incubation and infrastructure facilities for UK auto companies looking to enter the Indian market.

facilities. Currently, over 400 companies are using the Institute's facilities. Memberships are also available for regular or long-term users. This has generated revenues of GBP 233,000 in 2007-08 and target for 2008-09 has been set at GBP 582,000.

The Central Manufacturing Technology Institute (CMTI) currently provides technical consultancy, support for establishing technology centre, implementation of ICT solutions, and training to the Institute. The Institute's facilities have been used by Tata Motors to test the Nano and the new Indica, and by Volkswagen to train and identify potential employees.

The Institute is now planning a new design and style studio, requiring an additional investment of GBP 728,000. The studio will function on the lines of the other centres by providing pay-as-you-go services. The studio will provide facilities in modelling, analysis, simulation, computer aided performance development, digital prototyping, specific applications and product development.

The Institute is also set to host UNIDO's auto cluster development programme in Pune. From its end, the Institute is leveraging its excellent infrastructure facilities to facilitate UNIDO's training and cluster development programme.

The Institute's long-term vision envisages the development of a vast research and training programme.

All the above are live business opportunities in Pune-based organisations. If you are interested in finding out more about any of these opportunities, please contact UKIBC who will be able to facilitate an introduction.

CASE STUDY P5: GAMING AND ANIMATION IN PUNE

Often the existence of one sector and industry spurs the development of another. In some cases, the core expertise and culture built in one industry lays the groundwork for exploitation of newer areas. With the mission to make Pune a global animation and gaming hub and a goal to attract top global players into the city, the MCCIA set up a separate committee focusing purely on the animation and gaming industry.⁴⁸

Pune has forged partnerships across USA, UK, Canada, Korea, Japan and China (established A&G hubs worldwide); established educational institutions in the area and most importantly – brought stakeholders, producers and investors onto a common platform.⁴⁹ Major players in the space include Krayon Pictures, Phoebus Creations Media, Toolbox Animation Studio, Ubisoft and Jump Games.

⁴⁸MCCIA

⁴⁹Kulkarni (2008)

KEY OBSERVATIONS

- Pune has broken away from the conventional 'back-office' perception that other cities like Hyderabad and Bangalore have. This has been largely due to the entrepreneurial nature of the city with a penchant for design.
- The IT industry has evolved to cater to creative spaces such as animation and art.⁴⁷
- There is a large SME capacity that caters to automotive and manufacturing based organisations.
- Rapid infrastructure development is underway with plans for a new airport and a metro service to support the growing population and demands on the city's current facilities. In order to break the clutter, the new international airport of Pune (targeting a 2013 completion) will be 40 km from the city centre. Hence, integrated transport projects are needed.

⁴⁷See Case Study P5: "Gaming and Animation in Pune"

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