

INDIA:

OUR TIME
HAS COME

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India – Land of Stupefying Contrasts



India – Land of Stupefying Contrasts

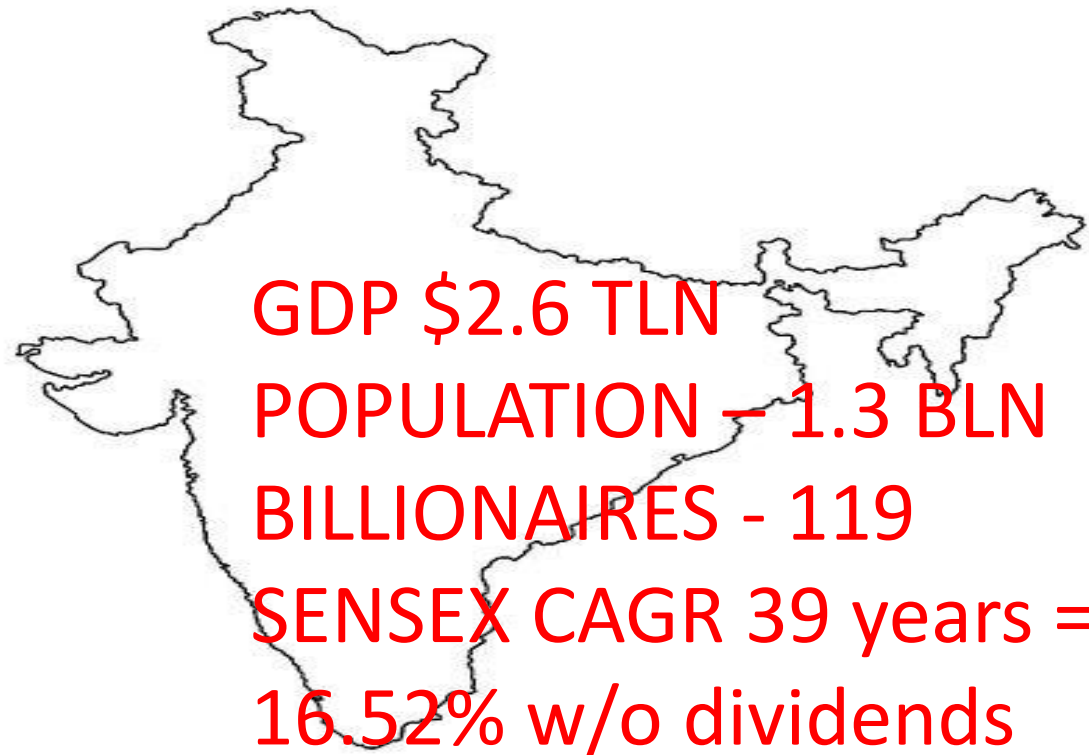
Silicon Valley Eyesore



Mughal Splendour



India: A Third world country or The Third largest economy?



GDP \$2.6 TLN
POPULATION – 1.3 BLN
BILLIONAIRES - 119
SENSEX CAGR 39 years =
16.52% w/o dividends

Canada v/s India



	Canada	India
GDP	\$1.53 trillion	\$2.6 trillion
Per capital	\$36,138	\$1800
Population	36 million	1300 Million
Mutual Exports 92/2016	C\$ 529mn/ C\$ 4.03	C\$ 280mn/C\$3.93 BN
Beloved brand	MEC	Himalayas
Index in 1980/ April 2018	2027 – 15484 (TSX)	100 – 34427 (Sensex)
Index CAGR	5.5%	16.5%
Billionaires/Millionaires	46/1,000,000	119/245,000
Richest/Co/Ind/Wealth	David Thomson/Reuters/Data USD \$25 BN	Mukesh Ambani/Reliance /Petrochem/ USD 40.0 BN

Larry Summers



India – Understanding its Middle Class

Five Questions?

- How Big is it ?
- How does it stack up compared to China?
- What is its purchasing power?
- What is holding it back ?
- How does the future look ?

The MNC Experience in India

Can Zara have 500 stores?

- 2Bn USD revenue from India = 40Bn USD revenue from China – Apple
- 241 Mn users, only \$51 Mn in rev – Facebook
- 450 Mc Donald's in India = Poland/Taiwan
- 100 Starbucks in India = UAE
- 20 Zara Stores = Ireland
- 117 Mn air passengers = 119 Mn for Ryan Air
- 25% growth in e commerce = Global average of 20%

Source: Economist

India - The Promised Land - 1

- 1977 -- The Law of unintended consequence
- 1989 – We all fall down
- 1992 -- The BC/AD moment for independent India
- 1998 -- Rise and Rise of Technology
- 2008 – A more confident India

India - The Promised Land 2

- Buying stocks as a Business the Warren Buffett way
- Selected examples of Opportunities Post 1992
- Headiness of 7% growth
- Then and Now

INDIA: THEN & NOW

	THEN	NOW
VISITORS WERE	SPIRITUALLY HUNGRY	FORTUNE 500 CEO
MANTRA	SELF-RELIANCE	SELFIES
TV STATIONS	1	900+
SOFTWARE EXPORTS	\$100 MN	\$100 BN
SHARE OF GLOBAL EXPORTS	3.7%	7.3%
FOREX RESERVES	1.1 BN	300 BN
TELECOM CONNECTIONS	5.2 MN	1 BN
AFFINITY	NON-ALIGNED	BRICS
ROLE MODEL	MAHATMA GANDHI	NARAYAN MURTHY/BOLLYWOOD

India – The Promised Land 3

- Does India have great Value Investors?
- India's [Best and Brightest](#)
- India's Best and Brightest in [Financial Services](#)
- Potential Opportunities for the [next 25 years](#)

India's Best and Brightest



R. K. DAMANI

Age : 63

Wealth: \$10 BN (Forbes)

Fortune: Investments, Retail

Philanthropy :Education



NEMISH SHAH

Age : 63

Wealth \$5 BN (Guess)

Fortune: Investing - Cement,
Auto

Philanthropy :Flame U, Religion



RAKESH JHUNJHUNWALA

Age: 57

Wealth :\$3 BN (Forbes)

Fortune: Investing – Titan

Philanthropy : 50% of Div
Income to Education, Needy

India's Blue Chips – Financial Services



**MOTILAL OSWAL &
RAAMDEO AGARWAL**

Age : 60

Firm : Motilal Oswal

Wealth: Broking, Asset Mgmt



NIRMAL JAIN

Age : 50

Firm: IIFL

Wealth: Broking, Wealth Mgmt



UDAY KOTAK

AGE: 60

Firm: Kotak Bank

Wealth: Banking

India – Let a 1000 flowers bloom

INDUSTRY	1992	1998	2003	2008	2018
Pvt Sector Banks			\$3.98 BN	\$51 BN	\$206 BN
Public Sector		\$6.5 BN		\$ 54.67 BN	\$61.44 BN
Real Estate				\$55.00 BN	\$21.84 BN
Airlines				\$1.82 BN	\$10.49 BN
Auto	0.36 BN	\$1.45 BN	\$2.5 BN	\$19.76 BN	\$104.74 BN
Telecom			\$3.0 BN	\$81.16 BN	\$34.02 BN
Media				\$5.0 BN	\$30 BN
Consumer Dis	\$5.75 BN	\$17.37 BN	\$14.11 BN	\$62.13 BN	\$203 BN
Liquor			\$0.14 BN	\$7.28 BN	\$12 BN

Source: Bloomberg data, converted at USD-INR rate in the concerned year

India – Sharpen your pencils

Turning Potential to Profits

- Indianize their Business
- Pricing matters
- Enabling services (electricity, data, roads, net)
- Easier Financing
- Lower end of the pyramid

India – 2013-18 A plethora of Reforms

- Demonetization
- Goods and Services Tax (GST)
- Real Estate Reform Act (RERA)
- Re introduction of Long Term Capital Gains (LTCG)
- Liquid and Safe Capital Markets (SEBI)
- Improving, but still sub-par standards in Corporate Governance
- 2019 General Election year

But we are developing a sense of humour



Volkswagen. Das Auto.





Is that Jagmeet Singh coming ? 😊



PM Trudeau has more Sikhs in his cabinet than PM Modi!

Thank you Canada for teaching us how to build a more inclusive society, respecting differences.

Our Time Has Come



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