



# LOOKING AHEAD

By **Stuart Grant**, Head of Corporate and Structured Banking, UK

**In mid-2007, when the world was a very** different place, HSBC's UK Corporate Banking team hosted an event called "Opportunity India", focusing on how UK middle-market companies could build business in this emerging giant economy. It was a remarkable occasion that illuminated India's huge potential.

Two years on, and with the UK economy in recession, India represents an even keener opportunity. So this edition is largely devoted to India, the challenges the country faces and how UK companies can best exploit them.

While India hasn't avoided the global economic crisis, real GDP growth of 5.3 per cent in the last quarter of 2008 suggests that it is in a stronger position than many. Certainly India's service economy (9.9 per cent growth in Q4 2008) is striking evidence of a robust economic future.

The country has many innate advantages, most obviously a young, growing population with a determination to succeed. The challenges, too, are many: above all, inadequacies in physical infrastructure and the ongoing requirement to invest in education (to give those 300m new young Indians over the next 25 years the tools to succeed).

We at HSBC are optimistic about India. For UK companies, long-standing trade relations and a common language (and the fact that the country is a lot closer than China!) spell great opportunities.

The oil business Cairn Energy has been one of our strongest performers in India over recent years, so it's very interesting to read CEO Sir Bill Gammell's observation on page ten that: "the secret is to understand that you are a guest in a country."

In my experience of working with many internationally focused UK firms, you must build relationships over a long period of time rather than just plunging aggressively into a market such as India. The most successful businesses take a long-term, measured approach. I'd add that the best UK companies do tend to have the kind of cultural sensitivity required to thrive in such new markets.

To explore further how UK middle-market companies can gain a foothold in India, my



## **"The best UK companies tend to have the cultural sensitivity required to thrive in new markets"**

team at HSBC Corporate Banking are holding a special "Indian Summer" event on 15 July 2009 at the British Museum. I'm thrilled that Lord Jones of Birmingham; Sharon Bamford, CEO of the UK-India Business Council; Geeta Gopalan, an expert in financial services; and Sanjiv Ahuja, chairman of Orange UK will be sharing their expertise at a panel discussion on the night.

Our ability to bring together such a stellar line-up of experts is a great example of the proactive steps that we at HSBC are taking to add real value to our clients.

Let's be honest, most of us running businesses in the UK are having to be pretty reactive right now. The domestic economy is extremely tough; the banking industry has been through, and is still experiencing, seismic change.

However, these huge challenges don't mean that any of us can let up in the service we offer our customers.

As Andy Smith points out on page 18, liquidity is tight and pricing has had to change. None of us can deny these changed circumstances.

However, for our high-quality mid-market customer base, we will use our guiding principles to tailor the appropriate solutions for them. We won't just go down tramlines, but will work with our strong UK corporate customers to ensure we find the right financing.

At HSBC, our USP is our global footprint. As demonstrated by our Indian Summer event, we have unrivalled international connections and expertise that we can bring to the benefit of our clients. And, through our network of global relationship managers based in our Corporate Banking Centres across the UK, we can deliver a truly professional, international service to our customers.

For us and for our customers, the world has changed dramatically, and will continue to do so. The only response is to ensure that you are best in breed. That's our aim, both for ourselves, and for the many superb, internationally focused businesses that we support.



Photography: Photolibrary

**HSBC**   
The world's local bank

**Corporate World** is issued by HSBC Bank plc. We are a principal member of the HSBC Group, one of the world's largest banking and financial services organisations with around 9,500 offices in 85 countries and territories. The views and opinions expressed are not necessarily those of HSBC Bank plc, Business Economics, Customer Propositions, 8 Canada Square, London E14 5HQ **AC14874**