



# Tat CAPITAL

Corporate Finance & FX Advisory

## Is Australia ready to taste the Indian Miracle Food eaten by globally renowned CEOs?

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## Is Australia ready to taste the Indian Miracle Food?

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Indians are heading up the world's best-known companies like Google, Microsoft, Adobe and taking ownership of companies such as Jaguar Landrover, Hamleys, and even East India Company is now owned by an Indian again (Government of India Act 1858 transferred all powers from the East India Company to the British Crown, eventually dissolved in 1874).

India is evolving into the world's business epicentre: not only for IT, knowledge, financial, analytics, research; Indians are producing great talent, which is resulting in more and more global organisations to be led by Indians. As a culture, Indians strive for the highest education and career, from an academic, pragmatic and professional all-round ability. The entrepreneurial DNA, ambition to succeed in the western world has always been a driver for all Indians world-wide.

There are many reasons why... Obvious reason is that 1 in 7 people in the world are Indian! Another quirky fact is that most of those successful Indians who are becoming CEOs of global companies are from South India, and most probably were brought up on a breakfast diet of Idli, Dosa & Sambar, which proves that *'fermented urid dal'* (black lentil) is a miracle food for the brain.



*Urid dal (Urad Dhal) is only one of a handful of seeds to contain essential fatty acids or EFA. They are called essential fatty acids, because our body cannot produce it even though it is an essential nutrient for the human body, especially for the human brain. Many of the memory enhancer tablets contains essential fatty acids, which is considered a brain food.*

## Now the big question: Is Australia ready?

First Indian migration into Australia began as early as 4,000 years ago, according to a study in 2013, which proved Indigenous Australian DNA was some form of migration from India to Australia. Aboriginal people first inhabited Australia about 60,000 years ago, and researchers had previously thought them to be isolated from the rest of the world for thousands of years. Some of the evidence of the links are astounding: Aboriginal language spoken in Alice Springs and some parts of Western Australia still has common words with South Indian languages, some Hindu connections to the Uluru (Ayres rock) with the beliefs of Aboriginals and dreamtime stories. Even if you look at some of the animals that are not native to Australia, they also originated from India such as the Magpie (Crow), Butcher bird (Mynah) and the Dingo (Pariah dog).

Indians are now the third largest migrant group in Australia, increasing by 30% in the last 2 years. Latest Australian Bureau of Statistics estimates there are 592,000 Indians living in Australia as of June 2018, which accounts for 2.4% of the Australian population. There's also decent % of the 17.65 million Australian-born, who have Indian parents or grandparents and overseas-born who have Indian-subcontinent origin; which could take the estimated number to about 8 to 10% of the Australian population.

**Australia's population by country of birth - 2018(a)**

Country of birth(b)	no.	%(c)
England	992 000	4.0
China	651 000	2.6
India	592 000	2.4
New Zealand	568 000	2.3
Philippines	278 000	1.1
Vietnam	256 000	1.0
South Africa	189 000	0.8
Italy	187 000	0.7
Malaysia	174 000	0.7
Scotland	135 000	0.5
All overseas-born	7 343 000	29.4
Australian-born	17 650 000	70.6

(a) Estimates are preliminary

(b) With top 10 overseas-born countries listed in order for 2018.

(c) Proportion of the total population of Australia.

Since 2012, Indian applicants have secured the greatest number of all the visas granted under Australia's Skilled Migrant Program. In 2016-17, Indians received 38,854 visas out of total 183,608 and In 2015-16, a total of 40,145 visas were granted to Indians out of 189,770 visas. This clearly shows that the Indians are coming skilled up to add values to Australian workforce.

**The Australia-India story is just beginning to ripe:** with the interest in Indian food starting to increase, Indian migration and international student recruitment hitting the highest levels in history. From a Government perspective, since former Prime Minister Rajiv Ghadhi's visit to Australia in 1986, and recent visit from Prme Minister Modi in 2014; there has been a lot discussions about a free trade agreement and economic cooperation. Starting with the Australia-India Comprehensive Economic Cooperation Agreement, and the recent India Economic Strategy to 2035 relased by the Department of Foreign Affairs in 2018; it has finally kicked the bi-lateral interest into some serious action plan.

Indian subcontinental diaspora in Australia is just starting to happen, as the second generation of migrants climb up the corporate ladder, founders emerge and companies start to recruit expert managers from India, Singapore, Malaysia, Sri Lanka, Fiji with an Indian subcontinental background. Here are some of the examples:

- **Peter Varghese**, AO - Chancellor at University of Queensland's Chancellor (since 2016); previously Secretary of the Department of Foreign Affairs and Trade (2012-16), High Commissioner to India (2009-12), High Commissioner to Malaysia (2000-02), Director-General of the Office of National Assessments (2004-09), and Senior Advisor (International) to the Prime Minister of Australia (2003-04).
- **Dave (Devanand) Sharma** – Australian Politician, recently won the Wentworth seat by-election, triggered by former Australian Prime Minister Malcolm's resignation from parliament. The former ambassador to Israel (2013-17) and once Australia's youngest diplomat, also worked as a staffer for former foreign minister Alexander Downer and was the head of the International Division in the Department of the Prime Minister and Cabinet (2010-12).
- Samvardhana Motherson's Chairman & Co-Founder – **Vivek Sehgal** (since 1975)
- Macquarie Group's CEO - **Shemara Wikramanayake** (since 2018)
- Ellerston's Chairman - **Ashok Jacob** (since 2002) , previously CEO of CPH, Packer's family business (1998 -2011) and MD of Thorney Holdings, investment arm of the Pratt Group (1991-98)
- Springfield's Founder - **Maha Sinnathamby** (since 1992)
- MIT's Founders **Shesh Ghale** and **Jamuna Gurung** (since 1996)
- J.K. International's Founder – **Jiwan Mohan** (since 1979)
- Deputy's CEO and Founder- **Ashik Ahmed** (since 2008)
- Walsh Bay's Founder - **Arun Abey** (since 2013), also Chairman at iPac Securities (since 1983)
- SiteMinder's CEO - **Sankar Narayan** (since 2019), previously CFO/COO at Xero (2015-18)
- Australian Cruise Group's Executive Chairman - **Sudhir Warriar** (since 2005)
- ROBE (Riverina Oils & Bio Energy), OilSeeds Australia: Founder & CEO - **Dhruv (DD) Saxena**
- Consumer Group (CarSales)'s Managing Director - **Ajay Bhatia** (since 2017)
- Auto & General Insurance's Managing Director and CEO - **Ram Kangatharan** (since 2012)
- SenSen Networks Founder/CEO - **Subhash Challa** (since 2012)

- Atlassian's CTO - **Sri Viswanath** (since 2016), previously CTO at Groupon (2013-15)
- Atlassian's board of Director - **Jay Parikh**, also VP at Facebook (since 2009)
- Zambrero, Mejico, INDU, izakaya, Next Practice, SHINE, One Disease: Founder – **Sam Prince**
- Clipsal Solar (a venture by Schneider Electric)'s CEO - **Preeti Bajaj** (since 2018)
- Victory Offices Founder & COO - **Manisha Angirish** (since 2013)
- Jewel Fine Foods Founders - **Kishore** and **Indrani Matta** (since 1997)

From a global perspective, some of the largest companies in the world are handing the mantle onto Indian CEOs and Executives to take them to the next level. Indians have made a huge impact in U.S: approximately 12% of scientists, 38% of doctors, 36% at NASA, 34% employees at Microsoft, 28% at IBM, 17% at Intel and 13% Xerox are Indians.

#### Here are a few examples of global companies with Indian leaders:

- Google's CEO - **Sundar Pichai** (since 2015)
- Google Cloud's CEO - **Thomas Kurian** (since 2019)
- Adobe's CEO - **Shantanu Narayen** (since 2005)
- Amazon's Board of Director - **Indra Nooyi** (since 2019), previously Pepsico's CEO (2001-18)
- ArcelorMittal, the world's largest steelmaking company's Chairman & CEO - **Lakshmi Mittal**
- World Bank's Managing Director & CFO - **Anshula Kant** (since July 2019)
- IMF's Chief Economist - **Gita Gopinath** (since 2018)
- Berkshire Hathaway's Board of Director - **Ajit Jain** (since 2018)
- Soft Bank's Board of Director & CEO of Softbank Investment - **Rajeev Misra** (since 2017)
- MasterCard's CEO - **Ajaypal Singh Banga** (since 2010)
- Microsoft's CEO - **Satya Nadella** (since 2014)
- Palo Alto Networks CEO - **Nikesh Arora** (since 2018), previously Softbank's CEO (2014-16)
- Vimeo's CEO - **Anjali Sud** (since 2017)
- NetApp's CEO - **George Kurian** (since 2015)
- Nokia's CEO - **Rajeev Suri** (since 2014)
- General Motors CFO - **Dhivya Suryadevara** (since 2018)
- Twitter's CTO - **Parag Agrawal** (since 2017)
- LinkedIn's CTO - **Raghu Hiremagalur** (since 2018)
- Dropbox's CTO - **Aditya Agarwal** (since 2012)
- Conduent's CEO - **Ashok Vemuri** (since 2017)
- Visteon's CEO - **Sachin Lawande** (since 2015)
- Harman's CEO - **Dinesh Paliwal** (since 2007)
- Reckitt Benckiser's CEO - **Rakesh Kapoor** (since 2011)
- Unilever's COO - **Nitin Paranjpe** (since 2019)

- Diageo's CEO - **Ivan Menezes** (since 2013)
- SanDisk's CEO - **Sanjay Mehrotra** (2011-16)
- Citi Group CEO - **Vikram Pandit** (2007-16)
- Deutsche Bank CEO - **Anshu Jain** (2012-16)
- Motorola's CEO - **Sanjay Jha** (2008-12) & CEO of GlobalFoundries (2014-18)
- NIO (NextEV)'s CEO - **Padmasree Warrior** (2015-18)
- Cognizant's CEO - **Francisco D'Souza** (1994-2018), currently Executive Vice Chairman

In terms of inventions; there's a huge list starting from Zero, Chess, Buttons, Flush, Plastic Surgery, Cardiac Surgery, ... to recent inventions such as Hotmail founded by **Sabeer Bhatia** (1996) and Universal Serial Bus (USB) invented by **Ajay Bhatt** (1999) and the list goes on...even up to Infinity, invented by the Indian mathematician **Srinivasa Ramanujan**.

Other Indian internationally recognised names include film maker - **M. Night Shyamalan**, author/public speaker - **Deepak Chopra**, singer - **Nicki Minaj**, actress - **Freida Pinto**, actor - **Ben Kingsley**, musician - **Norah Jones** (daughter of famous Indian sitar player - Ravi Shankar), actor – **Dev Patel**, author - **Salman Rushdie**, Louisiana Governor - **Bobby Jindal**, model - **Gia Johnson**, Wrestler - **Sonjay Dutt**, comedian – **Russell Peters**, singer **Jay Sean**, International Women's Cricket player/commentator/Neuro Scientist – **Isa Guha**, Golf champion - **Vijay Singh**... even the British Prime Minister Boris Johnson has appointed three Indian-origin leaders in his top ministerial team: **Priti Patel** as Home Secretary, **Alok Sharma** as the International Development Secretary and **Rishi Sunak** as the Chief Secretary to the Treasury.

Australia have also seen some famous Indian names arise locally such as the singer – **Kamahl**, actress – **Vimala Raman**, SBS Hindi's Executive Producer - **Kumud Merani**, Film Director - **Anupam Sharma**, Community Leader - **Deepak Vinayak**, Former achievements include Chairman and Board Member of Cricket NSW, Current Chair of NSW Government – Multicultural, previous Board Member of Cricket Australia, Board - **Dr G.K Hari Harinath OAM**, ...

## Companies owned by Indians

Indian companies are known for their global success such as Tata Steel, Tata Global Beverages, Motherson Sumi Systems, HCL Technologies, Tata Communications, Hindalco Industries, Suzlon Energy, Tata Motors, Dr Reddy's Laboratories, Jubilant Life Sciences, Tata Consultancy Services, Infosys, Punj Lloyd and Tata Chemicals. There has also been a recent trend of Indian startups such as Ola, OYO, Byju and Swiggy expanding globally and starting to compete with the local players.

### Here are some of the examples of International companies owned by Indians:

- **Tetley Tea** - Tata Global Beverages, since 2000
- **Hamleys** – Reliance Group, since 2019
- **ArcelorMittal**, the world's largest steelmaking - Mittal Steel, since 2006
- **Corus Group** - Tata Steel, since 2007
- **Novelis** – acquired by Hindalco Industries (subsidiary of the Aditya Birla – world leader in the production of flat-rolled aluminum products) for ~US\$6 billion in 2007
- **Jaguar Landrover** – acquired by Tata Motors for ~US\$2.3 billion in 2008
- **Imperial Energy** – acquired by ONGC for ~US\$1.9 billion in 2009

### Here are some of the Australian companies that are now owned by Indians:

- **FNS** (banking and financial software vendor) - **Tata Consultancy** acquired the Australian banking software developer in 2005 for around AU\$34.57 million (US\$23.5 million) and has been rolling out the FNS BANCS core system to all their banking and financial clients globally. In 2017, Reserve Bank of Australia made a decision to overhaul its core banking technology with TCS Financial Solutions' Bancs system. The contract was worth AU\$13.6 million (US\$9.25 million).
- **GippsAero** (Australian aircraft manufacturer) - **Mahindra Group** acquired a 75.1% majority stake in 2009.
- **Linc Energy** - **ADANI Enterprises** acquired Linc Energy's Queensland coal tenements in a deal worth up to AU\$3 billion (US \$2.04 billion) on 2010.
- **GVK Hancock Prospecting** – **GVK** acquired majority stake in three Australian coal mines and a port and rail project owned by **Hancock Prospecting** worth AU\$1.26 billion (US \$860 million)
- **Lanco Infratech**, through its Australian subsidiary, had acquired **Griffin Coal Mining Company** and **Carpenter Mine Management** for AU\$740 million (US\$503.5 million) in March 2011.

Other International brands owned by Indians include: Louis Philippe, Peter England, Lakme, Da Milano, Allen Solly, Monte Carlo, American Swan, HiDesign, Royal Enfield, Amrut Single Malt, Franco Leone, Van Heusen (owned by Aditya Birla Group), Munich Polo, Flying Machine, And Designs, La Opala, Larsen and Toubro, Cafe Coffee Day, Old Monk, Micromax, Britannia, MRF, Ferns N Petals, Raymond, Westside, Spykar, Park Avenue, Knotty Derby and Arden Shoes, The Collective, Planet Fashion, Redwolf...

In conclusion, since the Indus Valley civilization (3300 to 1300 BCE) – where the name India originated from, Indians have always been the pioneers and leaders across the globe. Indians are on the rise again and the times are certainly changing. Current human civilization could also face the same fate with Trade Wars, Climate Change, Terrorist Attacks and Global Financial Crisis, as they all continue to take the current world into turmoil. The only fact that stands is that Indians have survived the previous era and they will rise again.

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