

CHINA&INDIA

The New Corpor

Chinese and Indian companies are eager to go global. But are they ready?

An employee pedals past a building on the Infosys campus

Corporate Model



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Asking The Right Questions

These Indian companies realized Western models won't work. **BY MANJEET KRIPALANI**



INDIA

THE MAIN HALL OF THE SCIENCE & Technology Museum in Shanghai was packed. More than 150 top executives of multinational companies had arrived at the invitation of IBM Chief Sam Palmisano to participate in IBM's Business Leadership Forum, a high-level conference held on a different continent every May for the past three years. On the dais, Palmisano introduced the day's speaker: Sunil Mittal, chairman and CEO of India's premier mobile-services provider, Bharti Tele-Ventures Ltd. This company, said Palmisano, "is on a rocket to the moon."

Why would IBM's chief be in China lauding an Indian telco that few outside India had even heard of a short time ago? It's not just because Bharti did a 10-year \$750 million IT-outsourcing deal with IBM. It's also because Bharti—one of the world's fastest-growing telcos and the most capital-efficient—is one of the many Indian companies proving to be visionary in their fields. We're not talking about the champions of Bangalore, innovative as they are. These trendsetters range from telco newcomers such as Bharti to established giants like the \$18 billion Tata Group and even former state-run players like ICICI Bank. All are rethinking the way they manage assets, distribute

products, and use technologies to create new services. India's "rapid, incremental innovations," in the words of John Hagel III, a business-strategy consultant and author of a recent book on India and China, *The Only Sustainable Edge*, can provide lessons to companies everywhere.

What characterizes the best of the Indian outfits? They've learned to question the basic concepts of their industries, an attitude born of collective experience. For decades after achieving independence in 1947, India imposed severe restrictions on the capital private companies could tap, the technologies they could import, and the foreign exchange they could hold. So the best ones learned how to devise ingenious, low-cost solutions to their problems and even reimagine industries such as software services.

Since Indian industry was unshackled from state strictures in 1991, it has accelerated the process of innovation to stress affordability and quality. Bharti is the largest mobile operator in India, with 12 million subscribers and a 22% market share. It earned a net profit of \$330 million on sales of \$1.8 billion for the fiscal year ending Mar. 31. CEO Mittal, 48, likes to tell investors that Bharti charges just 2¢ a minute for phone calls on its Airtel service—and pockets 1¢ of that.

Mittal realized that the Western model for mobile-phone businesses—building and maintaining huge, expensive cellular networks—wasn't for Bharti, which wanted to keep costs down in any way possible while providing reliable service. So in February, 2004, Bharti became the largest telco in the world to try something truly radical. It outsourced its entire cellular net-

SATYAKI GHOSH



IN A FLASH ITC's intranet changed the way farmers sell their produce

work to its three existing equipment suppliers: Ericsson, Nokia, and Siemens—a \$725 million, three-year deal. The move to “deep outsourcing” was revolutionary. Networks are as crucial to telecom players as engines are to auto makers. But it worked, and the effect on Bharti was profound. With executives no longer focused on managing the network, Bharti has turned its attention to marketing and customer service. In a year it has added 6 million subscribers—one-fourth of India’s annual sub-

scriber growth and by far the fastest sign-up rate in India’s history. “It’s a big transformation, and it’s becoming a global model,” says Erik Oldmark, who runs marketing strategy worldwide for Ericsson. On Aug. 8, Bharti took its model one step further by outsourcing its call-center operations.

CARS ON DEMAND

BHARTI WAS ABLE TO TAP outside expertise to remake its business. The \$18 billion Tata Group relies on outside knowhow as well—but in this case, it’s the traditional skills of India’s working class. Tata, a conglomerate, has long made sturdy trucks. But four years ago, Chairman Ratan Tata plunged into the passenger-car business despite much skepticism. The result was India’s first indigenously designed, developed, and produced car—the \$6,600 Indica. Tata used all of India’s low-cost engineering skills to develop the car, at 60% of the usual cost of launching a new model. Now he has put his team to work on his dream project: a car that will sell for only \$2,200. “I wanted to change the rules of the game,” Tata says. “I wanted to change the way business is done.”

The “people’s car” will use a combination of steel and composite plastic for its body, put together with industrial adhesive along with nuts and bolts. But what’s the business changer? Tata will attempt to do away with the traditional model of manufacturing solely in a factory and distributing exclusively through established dealers. The plan is to make the basic components of the car in Tata plants—and then to send the car off the company’s assembly line much like a bicycle, in a knocked-down kit form. These will be shipped across the country to Tata-trained franchisees. Some of them will be Tata Motors car dealers. But other franchisees may be any of India’s thousands of roadside garages.

The mechanics will keep the kits in their garages and assemble them on demand for customers—then service them as needed. “It will give an opportunity to young, capable people to create an enterprise,” says Tata. But the move will also save an estimated 20% of an auto’s production, experts say. “Tata’s plan makes the car a commodity,” says Kumar Bhattacharyya, director of Warwick Manufacturing Group at the University of Warwick in Britain.

If Ratan Tata’s plan works, he will have stripped away a layer of distribution and manufacturing costs. Other Indian companies are tackling different kinds of distribution costs—and blowing away traditional assumptions in the process. In the

India’s Corporate Innovators

COMPANY	BUSINESS	REVENUES** (BILLIONS)	PROFITS** (MILLIONS)	INNOVATION
Bharti Tele-Ventures	Cellular operator	\$1.8	\$330	Outsourced core networking services so management could focus on marketing and sales
Tata Motors	Auto maker	4.5	318	Developing a \$2,200 passenger car, to be distributed in a kit and assembled at point of sale
ITC	Agribusiness	3.0	503	Employing e-commerce to produce and procure raw materials in rural areas
ICICI Bank*	Banking	22.8*	460	Using lower-cost business processing in India to offer higher interest rates to foreign customers
TCS	Software	2.2	471	Constructed a computer-aided adult-literacy program that uses symbols to teach 500 words in 10 weeks

*Deposits **Fiscal year ended Mar. 31, 2005

Data: BusinessWeek

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case of Indian Tobacco Co. (ITC), managers are aggressively seeking ways to eliminate the exploitative middlemen who buy, transport, and market Indian farmers' produce.

Calcutta-based ITC is best known as a hotelier and as India's largest producer of cigarettes. But it also sells fertilizer to farmers and buys their grain to make processed foods. For years, ITC conducted its business with farmers through a maze of intermediaries, from brokers to traders. So ITC's head of international business, S. Sivakumar, thought of using e-commerce as a way to break the unhealthy hold of traders over the supply chain. In the initial experiment—begun four years ago in the central Indian state of Madhya Pradesh—Sivakumar set up computer kiosks in



20 villages and hired a well-known local farmer to run each kiosk. He and other farmers would access the company's intranet—dubbed e-chaupal, for electronic “town square”—twice a day to check

ITC's own offer price for produce, as well as prices in the closest village market, in the state capital, in New Delhi, and on the Chicago commodities exchange. The site relayed daily weather conditions and educated users about new farming techniques worldwide. In the evening, the local children took free lessons on the computer. In return, the farmers would usually give ITC first dibs on their crops, thus eliminating the middlemen.

RISING INCOMES

HOW WELL THE MODEL WORKS can be seen in the life of farmers such as 38-year-old Gulab Singh Varma. His two-room house is well-appointed by the standards of Bhaukhedi, the village of 3,000 where he lives in Sehore district, Madhya Pradesh. In pride of place, next to a bright-red velvet sofa, is the e-chaupal computer, complete with speakers, printer, a satellite connection, and two sets of solar-powered batteries.

Before e-chaupal was set up, he says, farmers would spend three days traveling to the nearest market to sell their produce and never get a fair price. Then they would buy fertilizer and pesticides at premium rates and return home feeling cheated. “Now it takes a few hours to make a sale in the local market,” Varma says, “because we know the prices a day ahead of time, and we negotiate with the local market on the Web site.” Selling produce to ITC, thanks to the direct connection, nets the farmers 5% to 15% more than in the traditional marketplace. ITC is now building large, rural Wal-Mart-like supermarkets where farmers come to sell their produce and buy everything they need, from

TALK IS CHEAP

To cut costs, Bharti outsourced its entire network

tractors to cell phones. “Since e-chaupal began, the farmers' incomes have increased by 25% to 30%,” estimates Varma.

Through 2010, when ITC hopes to reach its goal of 100,000 villages participating in e-chaupal, the company will spend \$100 million a year on developing this network. None of the competition, including U.S. rival Cargill Corp., can match this head start. Consultant Hagel worries that Western companies are “far too complacent about the changes and won't have the capabilities to respond” to such business models.

Will Western multinationals find themselves confronting model Indian companies outside India as well? For now, Indian companies are venturing overseas more slowly and cheaply than their state-backed Chinese counterparts. The Indians are making \$1 million to \$100 million acquisitions to learn about foreign markets or to tap capabilities for their own operations.

But that doesn't mean there won't be surprises. “Companies out of India and China will be disruptive business models, coming at you in ways you can't anticipate,” says

Jayant Sinha, author of a recent McKinsey & Co. study of globalizing companies from the developing world. Already, India's ICICI Bank, with \$42 billion in assets, is adapting the outsourcing model to finance. It has turned itself into a low-cost consumer bank by building its own high-tech back office and is expanding in rural India by setting up automated teller machines in villages.

Now, ICICI is using that technological edge abroad, opening up a wholly owned bank subsidiary in

Canada. By operating its low-cost back end in India, the bank is passing on those benefits to locals who bank through the Internet in the form of interest some 35 to 75 basis points higher than what's available at other Canadian banks. The product has been so popular that the bank already has 22,000 customers, with 1,500 new ones signing up every week. Indian companies like ICICI can successfully take their models overseas because they are firmly anchored to their home market. A home market that is constantly being reinvented. ■



Sania Mirza

An ace on the court, a draw on the tube

➤ Tennis tops cricket. It's true even in India, when the star is 18-year-old Sania Mirza. While she's ranked just 48th globally, the student from Hyderabad rocketed to the top of India's sporting world when she made it into the third round of the Australian Open in January. Then in February, she won the World Tennis Association Hyderabad Open—and the tournament's TV ratings soared higher than the levels typically registered for cricket. Now Mirza is something of a youth icon, with many Indian teens coveting—and copying—her nerdy black-rimmed glasses and nose ring.

■ **WESTERN MULTINATIONALS SHOULDN'T BE COMPLACENT: THEY MAY SOON FIND THEMSELVES FACING INDIAN COMPANIES OUTSIDE INDIA**

(L. TO R.) NAMAS BHOGANI; STEVE CRISP/REUTERS/CORBIS

Taking a Page From Toyota's Playbook

Wipro and other Indian info-tech companies are boosting efficiency by emulating the Japanese carmaker. **BY STEVE HAMM**



A YEAR AGO, EXECUTIVES OF WIPRO LTD. got a glimpse inside a Toyota assembly plant. During a guided tour of the factory that produces Corollas near their headquarters in Bangalore, India, Wipro execs hoped to pick up fresh ideas for their businesses of developing software and handling clients' back-office operations. ¶ There were plenty of lessons to learn, but for Sambuddha Deb, Wipro's chief quality officer, one stands out. Deb began to take a shortcut when the safety path painted on the factory floor made a sharp turn. The Japanese manager walking

behind him reached out, took his shoulders, and gently guided him back onto the path. The message—all the little rules count. "They had that sort of discipline. It's second nature to them," marvels Deb.

Before the Toyota tour, Wipro had been struggling to get on track in back-office services. That might sound odd: With \$1.7 billion in revenues, 42,000 employees, and a U.S.-traded stock that has advanced 230% in two years, Wipro is the embodiment of India's info-tech revolution. It's not only a leader in software development but also a pioneer in business-process outsourcing, where it does everything for clients from running accounting operations to processing mortgage applications. In that business, the company was respected for its low prices and dependability, but the work was too labor-intensive. Wipro wasn't doing enough to improve the way it did its clients' business.

That's one reason Wipro decided to use Toyota as a model for overhauling operations. Its aim is to make business processes as simple, smooth, and replicable as the way Corollas slip off that Bangalore assembly line every 5.3 minutes. In an unprecedented move, Wipro took on the tricky task of translating Toyota's vaunted principles for manufacturing into the realm of services. "What we do is apply people, technology, and processes to solve a business problem," says T.K. Kurien, the head of Wipro's 13,600-person business-process outsourcing unit.

Today, Wipro's paperwork processing operations in Bangalore, Pune, and Chennai bear an uncanny resemblance to a Toyota plant. Day and night, thousands of eager young men and women line up at long rows of tables modeled on an assembly line. Signs hanging over each aisle describe what process is being handled there—accounts re-

ceivable, travel and entertainment, and so on. Team leaders such as P.V. Priya, who oversees medical claims in Bangalore, set goals with their colleagues at the beginning of each shift. Just like in a Toyota factory, electronic displays mounted on the walls will shift from green to red if things bog down.

RUNNING A 21ST CENTURY COMPANY

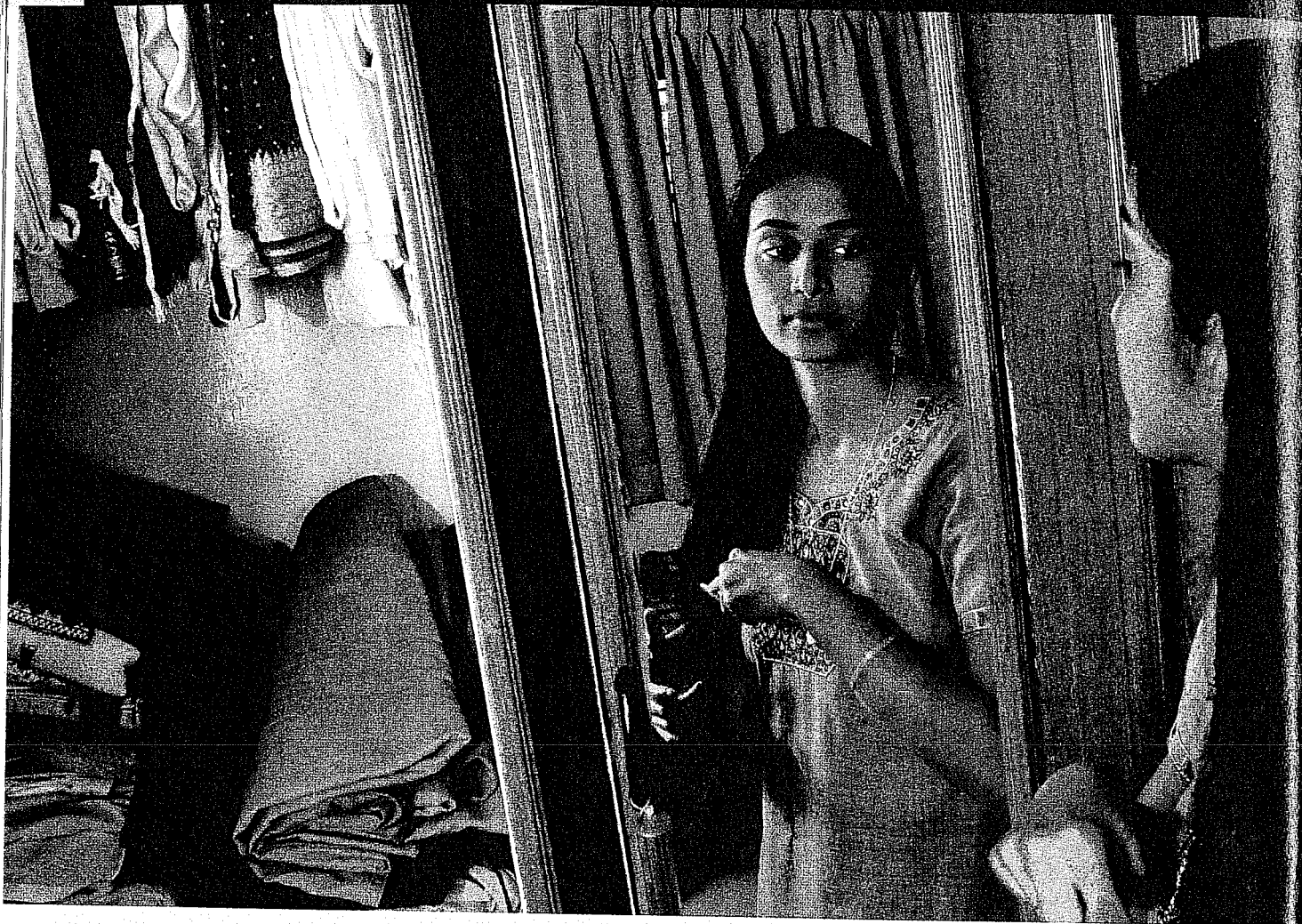
THIS INFATUATION WITH TOYOTA-LIKE efficiency now permeates India's tech-services industry. The Indian companies see a kindred spirit in the Japanese auto maker. Like them, Toyota was forced to claw its way into a global business with low prices and a passion for quality. Such commitment is the key to becoming the back office for hundreds of Western companies, hastening the transfer of many thousands of jobs offshore. "If the Indians get this right, in addition to their low labor rates, they can become deadly competition," says Jeffrey K. Liker, a business professor at the University of Michigan and author of *The Toyota Way*, about Toyota's lean manufacturing techniques.

Think of any job that can be done remotely, by computer or telephone, and you're looking at a job that can be done by an Indian. Business-process outsourcing, or BPO, includes handling clients' call centers, accounting, human resources, and the like. Top Indian services companies don't just perform these jobs well. They demonstrate how a 21st century company ought to run. They have globalized workforces, super-efficient operations, and slavish devotion to customer service.

This emerging industry is helping India along the path to building a world-class economy. Already it supplies relatively well-paying jobs for upwards of 300,000. A 23-year-old

■ WIPRO AIMED TO MAKE BUSINESS PROCESSES LESS LABOR INTENSIVE—AND AS SIMPLE, SMOOTH, AND RELIABLE AS AN ASSEMBLY LINE OF COROLLAS

THE NEW CORPORATE MODEL



Wipro's Team Bangalore

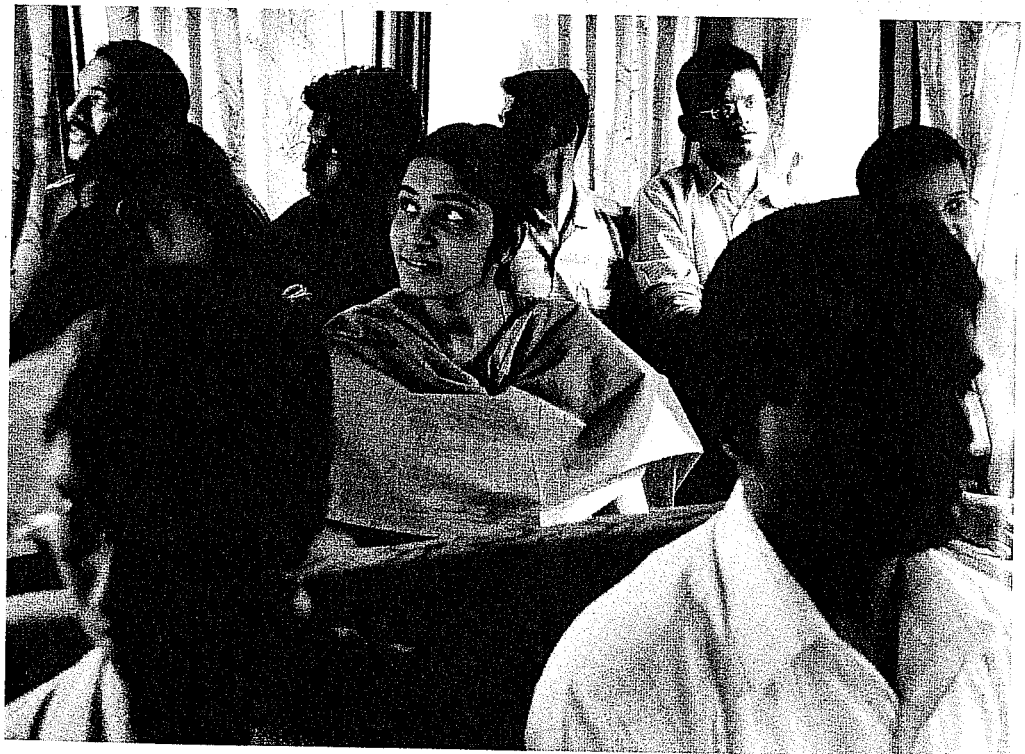
A local look at a
globalized worker

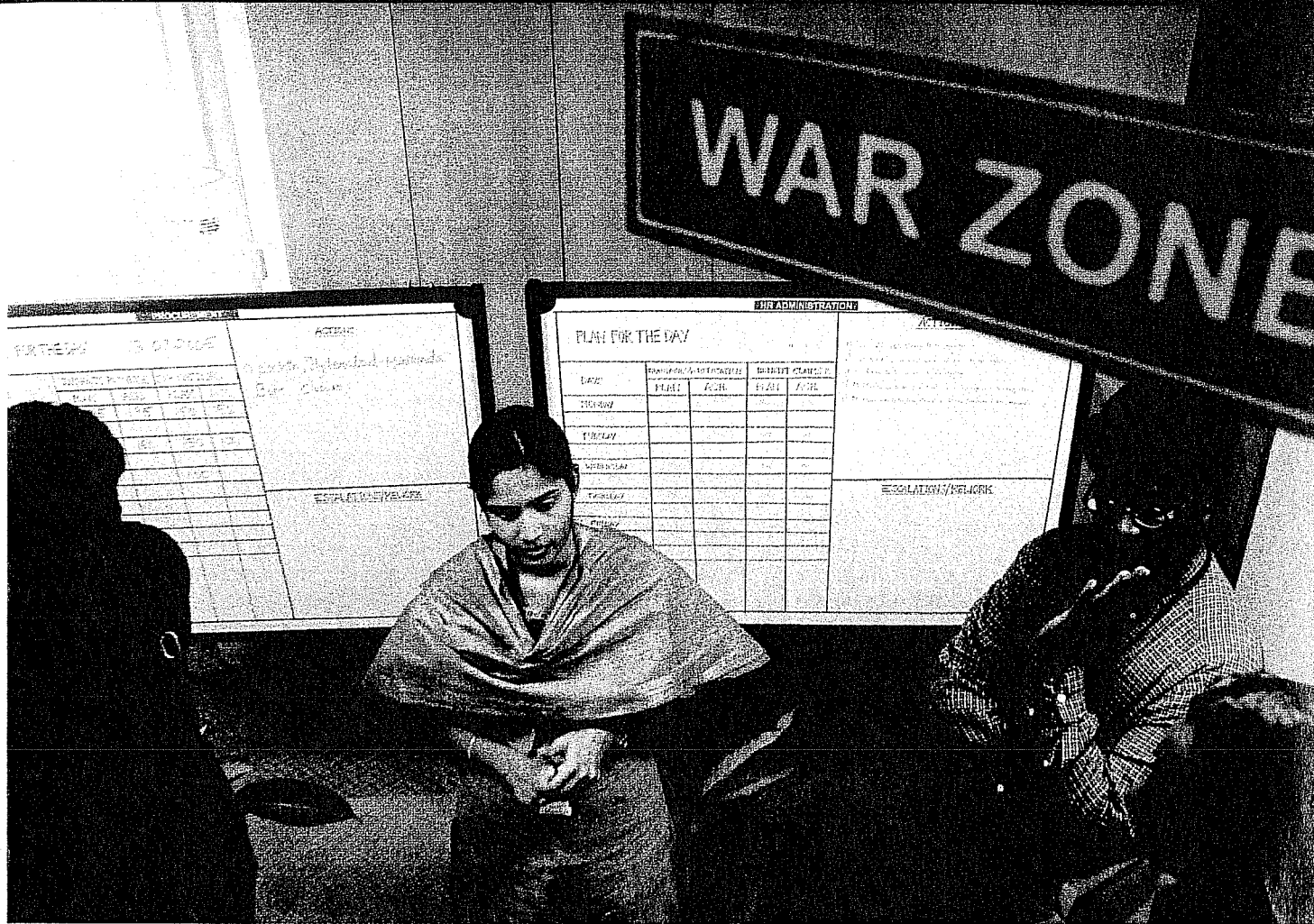
⌘ GETTING READY FOR WORK

Medical claims supervisor P.V. Priya is up by 7 a.m. The first woman in her family to go to college, she lives in the eastern district of Bangalore, India's Silicon Valley.

»» THE COMMUTE

A Wipro bus picks Priya up at 8 a.m. for the 20-minute ride to her office. The bus arrives early enough to deliver her and her co-workers ahead of Bangalore's famous rush-hour traffic jams.





☞ **MORNING BRIEFING**

Priya starts the day with a stand-up meeting in the "War Zone." She congratulates a couple of her team members on their performance, and takes suggestions on how to get more done.

» **BREAK TIME**

Priya sips cocoa while listening to a friend talk about a new continental restaurant that just opened in their neighborhood. The awarding of a weekly prize cake is another time-out.



« **BACK HOME**

Priya spends weekday evenings at home with her parents, a retired sales manager and a housewife. Her parents are planning a traditional arranged marriage for her, but she has told them they must pick a man who won't interfere with her career.



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can make \$7,000—enough to afford a motorbike, or even a Corolla, to commute in style on Bangalore's jam-packed streets. The Indian BPO industry grew 40%, to \$5.8 billion, last year and is expected to hit \$64 billion and employ 3 million people in 2012, according to a Nasscom/KPMG study.

CONTINUOUS IMPROVEMENT

INDIA WILL ONLY GET THERE if it has more to offer than cheap labor. Any developing nation has that. So Wipro and other Indian tech leaders, including Tata Consultancy Services Ltd. and Infosys Technologies, are upgrading their services. They're automating processes to skip manual steps and using analytical software to mine data about their clients' customers.

The goal for Wipro is to become the Toyota of business services. Toyota preaches continuous improvement, respect for employees, learning, and embracing change. "It's the soft stuff that makes a big impact on the hard numbers," says Kurien, a cheerful 45-year-old. There is plenty of hard-edged analysis, as well. To embrace Toyota's methods, Kurien last year assigned teams to examine business processes, break them into discrete components, and come up with streamlined services to sell to clients.

Almost immediately, Kurien spotted a surprising problem—cubicles. They're normal for programmers but interrupted the flow for business-process employees. So he came up with the idea of positioning people side by side at long tables and running processes up the line step by step. Wipro also adopted Toyota's *kaizen* system of soliciting employee suggestions for incremental improvements, and made *The Toyota Way* required reading. The company even did time-and-motion studies. One discovery: It took an average of nine minutes for employees to regain optimal performance after water and bathroom breaks. The water coolers were quickly moved closer to people's desks.

The initial response to all this "was a roaring disaster," admits Kurien. Some staffers felt like cogs in a machine, and they dragged their heels. Nandini Swamynathan, 34, who runs an employee-benefits help desk, was O.K. with Kurien's plans. Her staff felt differently. "The factory idea concerned people," she says. After hearing from his middle managers, Kurien did a reboot. He set up classes to explain the concepts and show how the methods would make their lives easier.

The results are coming in. Since the program started, the group has improved productivity by 43% and reduced the percentage of transactions that had to be redone from 18% to 2%. Customers are reaping rewards, too. Look at E-OPS, a Miami startup. On June 14 it announced the country's first round-the-clock paperless mortgage-processing service. E-OPS had just six employees on Day One, and they focused solely on marketing. "It's amazing that you can run a national company with just a handful of employees, and Wipro does the rest," says E-OPS Chief Executive Joseph Machado.

Indeed, Wipro's paperwork-handling operations run with factorylike efficiency. There are two shifts—8:30 a.m. to 6 p.m. and 6 p.m. to 3 a.m. When each shift starts, the teams, which are organized by process categories, gather with their team leaders

for 10 minutes to discuss the day's goals and divide up tasks accordingly. Then they scatter to their desks.

During a recent visit by *BusinessWeek* to an office in Bangalore, we followed the journey of a single invoice through accounts payable. The first stop was the "imaging" room, where C. Venkatesh fed documents into scanners and attached electronic copies to work-flow software, which manages each step of the process. Then H.V. Shivaram typed data from the invoice into the accounting software program, M. Rassal checked the math, Srikanth Vittal Murthy posted the charges in the general ledger, D. S. Varadharajan authorized payment, and B. Ravi Sekhar arranged for a check to be cut. Finally, V. Karunakaran printed and mailed it. If the process had hit a bottleneck, a digital display on the wall would have turned red. That would have prompted managers to swarm the center of the room, confer, and fix the problem on the spot.

Wipro's employees seem sincerely excited about their jobs—work that would likely be considered sheer drudgery by U.S. college grads. Take 28-year-old Priya, who has worked for Wipro for nearly seven years. She has already submitted a handful of *kaizen*, and is thrilled at how quickly her bosses respond. "Even though it's something small, it feels good. You're being considered," she says. Empowerment on the job is spilling over into her private life. She's the first woman in her family to go to college, and recently told her parents that while they are free to arrange her marriage, they must pick a man who will not interfere with her career.

Kurien and his lieutenants do plenty to boost morale. It's stuff that would seem corny in the U.S. Employees who submit suggestions to *kaizen* boxes near their desks get little rewards—pens, caps, or shirts. Every week, the bosses wheel out a cake for a top performer. Murthy, a 25-year-old accountant on the accounts payable team who aims to be Wipro's chief financial officer some day, was surprised with one in late April. He had led an effort to improve the handling of Indian government import approvals, cutting the time it took to process them from nearly 30 days to a maximum of 15 days. He got a cake with his name written on it in honey. "I was surprised management knew what I was doing," he says. Now, he says, "I want to do more projects."

Kurien feels he has a long way to go. "On a scale of 1 to 10, we're still at 4," he says. He recently started work in procurement and logistics. The next likely targets are engineering services and health-care claims processing, which are two of the industries that Wipro focused on for software services. His idea is to weave business-process services into the company's tech offerings to give clients an ever-widening menu to pick from. A customer who hires Wipro to write new features into its accounting software program may also hire Kurien's crew to run the new process itself.

With every new initiative, he has to hire and train a fresh team and come up with novel techniques for turning messy, manual processes into highly automated and efficient ones. Think of it this way. He's creating a mirror world to the way business is done today in the West—but the reflection has to be sharper than the original image. If Kurien succeeds, a few years from now management gurus may be trumpeting the Wipro Way. ■



■ KURIEN'S BP UNIT EMPLOYS 13,600. AT FIRST THEY BALKED AT RUNNING THE SHOP LIKE A FACTORY, BUT PRODUCTIVITY IS UP 43%, AND WORK SATISFACTION IS HIGH, WITH MORALE A BIG PRIORITY

Who's Got Performance?

Investor alert: India's companies beat China's. **BY JAMES MEHRING**



WHEN IT COMES TO ECONOMIC growth between these two up-and-coming powerhouses, China is outpacing India by a mile. But take a look at how Chinese companies perform relative to Indian businesses and the results look quite different. A *BusinessWeek* analysis of financial data from Standard & Poor's Compustat shows Indian corporations are getting

more bang for their rupee. A look at over 340 publicly listed companies from 1999 through 2003 (many Indian companies have yet to release their complete 2004 reports) reveals that Indian businesses have, with a few exceptions, outperformed their Chinese counterparts on return on equity (ROE) and return on invested capital (ROIC).

Indian companies perform better across various industry groups because they face greater market pressures. Despite plenty of government regulation, India is by and large a well-functioning market economy. This leads businesses to focus more on profits and performance. When it comes to free markets, China is a work in progress. China's government has big stakes in most publicly listed companies, so managers must be mindful of government agendas, such as employment, says Joydeep Mukherji, a director, in the Sovereign Ratings Group at Standard & Poor's.

The two countries also differ greatly when it comes to financing. "It's quite difficult to get capital in India," says Marcus Rosgen, regional head of equity research at Citigroup in Hong Kong. In India, firms raise a larger share of capital in equity markets, so private investors play a key role in allocating capital and place an emphasis on return on equity. In China, the financing situation is quite the opposite. A notoriously high savings rate and large sums of foreign direct investment are keeping the cost of financing low for businesses.

The glut of capital in China is fueling excess capacity. A low cost of capital reduces the financial hurdle to start a new business or open a factory. The problem is compounded by the fact that Chinese manufacturing is concentrated in low-end production. The resulting price competition reduces profitability. And since most of China's major banks are state-owned, there is little emphasis on maximizing returns.

Indian Business Vs. Chinese

	RETURN ON EQUITY			RETURN ON INVESTMENT		
	2003	2002	1999-2001	2003	2002	1999-2001
AUTOS & COMPONENTS						
CHINA	17.4%	-2.1%	6.6%	14.2%	-1.9%	5.6%
INDIA	20.6	21.9	13.0	12.8	14.8	8.6
CAPITAL GOODS						
CHINA	8.1	6.0	3.8	6.3	4.6	2.9
INDIA	17.2	10.6	7.0	12.4	6.9	4.3
CONSUMER DURABLES & APPAREL						
CHINA	7.2	1.4	1.9	5.9	1.3	1.8
INDIA	6.9	11.1	6.7	3.7	6.2	3.6
ENERGY						
CHINA	17.6	13.7	15.7	13.9	10.3	11.3
INDIA	21.4	23.6	15.2	15.3	16.0	10.0
FOOD, BEVERAGE & TOBACCO						
CHINA	10.6	8.7	5.9	8.8	7.0	4.7
INDIA	26.6	21.2	22.5	23.6	16.1	17.4
MATERIALS						
CHINA	13.5	4.8	3.1	10.5	3.7	2.5
INDIA	22.2	7.2	2.6	11.9	3.1	1.2
PHARMACEUTICALS & BIOTECH						
CHINA	9.8	9.0	8.5	8.2	8.3	7.6
INDIA	29.1	24.6	18.8	23.9	21.0	15.6
SOFTWARE & SERVICES						
CHINA	6.5	12.3	4.9	6.4	12.0	4.8
INDIA	27.3	16.8	24.9	25.9	16.2	23.0
TELECOMMUNICATION SERVICES						
CHINA	15.2	14.0	15.6	10.9	10.2	11.5
INDIA	9.7	10.8	19.4	9.7	10.8	16.1

Data: Standard & Poor's Compustat, *BusinessWeek*

Progress is being made in China. There is a noticeable difference in ROE and ROIC between companies listed in the more internationally exposed Hong Kong stock market—the so-called Red Chips—and those listed solely on mainland exchanges. In 2003, the 25 Red Chip stocks had a return on equity of 14.8%, vs. 12.9% for mainland listed companies. In terms of ROIC, Red Chips produced an 11.6% return, compared with 9.7% for mainland outfits.

What's more, China is moving faster than India to improve its infrastructure. Unless India quickens the pace to improve energy production and distribution, as well as its transportation systems, the country risks stunting the growth potential of the economy and its own companies. ■