

2. Privatization Policy Guidelines

The Indian government has privatized services in many sectors such as power, roads, and telecommunications - all of which offer excellent opportunities for Canadian companies. However, there are still conflicting policies and often vague guidelines regarding government guarantees, rates of return, and the bidding process. Efforts are underway by the Indian government to address these issues and Canada, through high level contacts, continues to encourage India to address these shortcomings.

3. Connections

India remains a country where connections play a pivotal role in success. It is not so much the information you possess, but more how you can use it and how you influence decision makers. This applies to the public sector and, to a lesser degree, the private sector.

4. Cultural Differences

While India has a strong entrepreneurial class, there are business methods unique to this country. India provokes one's senses and first impressions may create internal conflicts that can influence business decisions. It is a land of contradictions that one must be able to deal with. This has been exacerbated by the introduction of economic reform. While the private sector has been told to act like a free market economy, the mind set remains inward-looking and people rely on the government for guidance. While the situation is rapidly changing, it will require time and patience on the part of Indian business and its foreign partners.

5. Appearances

India is a market where appearances and first impressions can be very deceiving. Business is part of a complex socio-economic environment; it is important to develop a trusting relationship with partners and clients and verify the accuracy of information.

6. Infrastructure

India's communications, power and transportation systems have not yet reached world class standards and can be frustrating at times when quick decisions have to be made. At the same time, this drawback is providing commercial opportunities for foreign companies. India will see radical improvements in this area in the coming decade.