



2026 GLOBAL CONFERENCE

LEADING IN A NEW ERA



INDIA AHEAD: GROWTH, INVESTMENT, AND GLOBAL AMBITION

Karan Bilimoria 00:08

Welcome everyone. My name is Karan Bilimoria, for those of you who don't know me. I am originally from India and born and brought up there. Went to study in the United Kingdom, qualified as a chartered accountant, did a law degree, and then started my business and became an entrepreneur and founded a brand of beer, which those of you who've been to the UK is a household name called Cobra. Cobra Beer, that is available all over the UK and exported to many countries. I exited that business 18 months ago. I now am chairman and investor in four new businesses, and that's my business life. I'm also a parliamentarian. I've been in the House of Lords now for 20 years as an independent cross-bench peer, and I'm the first and only Zoroastrian Parsi member of the House of Lords. And this year will be my 20th anniversary of being a peer in the UK Parliament. And the third aspect of my life is my academic life, where I teach at business schools. I'm a fellow at the Oxford Saïd Business School. I'm an ambassador for the Cambridge Judge Business School, and I'm a fellow at the London Business School. And I'm a great believer in lifelong learning. I'm in the midst of my doctorate on leadership at Cambridge University at the business school. What we're going to be discussing now is India. I've never left India, although I now live in the UK. I've already been to India eight times in the last eight months. And I co-chair the India All Party Parliamentary Group for both the House of Commons and the House of Lords. I founded the UK-India Business Council, and I chair the International Chamber of Commerce in the UK and the regional coordinator for Europe. So the India Free Trade Agreement with the UK was signed last year. I got a call in Italy at 9:00 at night, and I was on my way from the north of Italy down to Florence, from the Prime Minister's business advisor saying, "Karan, we need you at Chequers," the Prime Minister's country residence, "at 10:30 tomorrow morning. You get here somehow." Well, first flight out of Florence at 7:00 in the morning. My driver picked me up from the airport. I changed in the car, got there, and Prime Minister Narendra Modi had flown over, Prime Minister Keir Starmer, and we signed the Free Trade Agreement after three and a half years of negotiation. Fast-forward, and earlier this year, the European Union has signed its free trade agreement with India as well. So India's at the forefront. Many other deals India's done with the UAE, with Australia, and of course, with the United States, the tariffs have now been reduced. It's the fastest growing major economy in the world, and in spite of everything that's going on in the Middle East, it is still forecast to grow at around 7 percent this year.

Karan Bilimoria 03:02

And it's now--Ajay and I were debating this earlier, it had gone up to being the fourth largest economy in the world, but with currency fluctuations, it's now the sixth largest. Japan is back to being fourth and the UK fifth. But it's an over \$4 trillion economy as we speak, and the whole world is looking to India. So what I want to get out of the session from the wonderful panelists that we have, Ajay Piramal over here is a household name in India and head of one of our largest pharmaceutical companies, but also in financial services, and a great philanthropist as well, and a business that has been built up over decades into over \$10 billion group. Then I also have with me Haigreve Khaitan, who is the head of Khaitan, which is the largest law firm in India, can I say? Full service law firm. The largest full service law firm. And I know his cousin very well, who's the chairman of my YPO chapter in London. And then we have Suneeta Reddy. And I've known Suneeta's family for years because I was born in Hyderabad and brought up in Hyderabad, including going to the Hyderabad Public School and Osmania University, and Suneeta family, and I know your sisters, and head of Apollo Hospitals, which is the largest hospital group in India. Can I say that? Private hospital group, and one of the leading health-care organizations throughout India--huge success story. And I can vouch for being a customer of the excellence of service. And finally, we have Vivek Lall, who I've met over the years, Dr. Vivek Lall of General Atomics Global Corporation, who's an aerospace expert, to put it mildly, and a world expert in drones, unmanned aircraft, and at the forefront of modern warfare looking ahead. So I'm going to start off by asking my panelists just a few questions each, and then I'll ask some more, and then there'll be questions coming through from the audience. There are QR codes that you can put your questions to. So look out for the QR code. There it is. So please just send the questions in, and I'll get as many of them as I can. So Ajay, if I may start with you. Pharmaceuticals, financial services, philanthropy. The India's growth story, you've seen this. You joined your business, I think you were 22 years old when you joined your business.

Ajay Piramal 05:32

That's right.

Karan Bilimoria 05:33

You were making textiles at the time. Just describe the change in India in that period and where you are today.

Ajay Piramal 05:41

Well, starting—I think let me take it a little forward, otherwise it'll be a long history. But even when I see the change in the last, say, 10 years, India, earlier, 10 years ago was a fragile economy, if you would say. It was known as one of those Fragile Five. But that no longer exists today. Today, it's a strong economy. As you said, it is the fastest growing large economy in the world at 7 percent. Today, at \$4 trillion, we are the sixth-largest. I think by 2031, IMF projects us to be the third-largest economy in the world. But more importantly, I think all the fiscal discipline that we have been able to bring in. Today, our deficit as a percentage of GDP is just 1 percent. We have been able to contain inflation. The inflation today is

3.5 percent. So that, again, is a very strong situation. We are basically a domestic economy, so whatever happens to trade around the world and all the disruptions that take place today, just 21 percent of our GDP is in exports. The rest of it is domestic. India is also now focusing on—the government is very keen to see how manufacturing can grow from 15 percent to 25 percent of the GDP. And for that, several steps have been taken. Perhaps one of the very successful ones has been the production linked incentives scheme, where \$23 billion has been put in. The next thing is that one of our handicaps was that the cost of the whole delivery, the cost of the whole infrastructure costs were so high. And to bring that down, about \$140 billion has been invested into seeing that infrastructure is faster and growth is more. The small-scale industries, which are in some ways the heart of India, are also being encouraged by getting a lot of credit guarantees from the government. All this means that we can see with a very young population, perhaps—it is the youngest population working, that you will have a good, solid economy, which is the middle class is growing and the consumption will grow. So overall, I would say that it's a good position. We've signed several FTAs, as you said, whether it is from the UK, where you were involved, Australia, New Zealand, UAE, and one of the audience, his father is the Minister for Commerce. He may give us a better input into this. So Dhruv, I think you will support what I have said. So that's where we are in a good position.

Karan Bilimoria 08:53

Wonderful. That's a really positive— I mean, the infrastructure. Those of you who go to India regularly, look at Bombay. I still say Bombay, Mumbai. The tunnel. Forget the Sea Link. Now you've got that coastal road. It's just taken things to a different level. It has to happen in other cities. Bangalore is still very congested, and there are solutions, including building a tunnel. And if you look at the development, you've talked about the young population, median age of 28. Twenty-eight years old. Population of 1.45 billion. And a census is about to take place in India, by the way, now. The results probably won't come out till 2027. Can you imagine counting over what will probably be over one and a half billion people, but now using technology to get there? And of course, the change, Ajay, 300 million people between 2012 to 2024. In 12 years, 300 million people lifted out of poverty. This is staggering, the advancements. Ajay, what about your financial service? We all know you about pharmaceuticals. What about financial services in India? What's the potential? What's—

Ajay Piramal 10:01

—I think that's another—see, any economy, if it's growing real time at a real growth rate is 7 percent, normally the financial services, if you add in terms of nominal growth, should be about one and a half times. So after taking into inflation of 4 percent, a 17, 18 percent growth in financial services with a large \$4 trillion economy is a huge number.

Karan Bilimoria 10:27

Wow.

Ajay Piramal 10:28

Which, again, also what has happened is that the government has ensured that a lot of people have now been able to open bank accounts. So I think, if I'm not mistaken, about 580 million new bank accounts were opened in the last few years, which means that people have access to funds available. And the cost of transactions, thanks to digitization, has been so good that actually if I want to transfer even a \$0.10 amount, I can do that, and everybody can do that digitally. There's no cost of it. So some of the credit card companies may find it a bit difficult because you don't pay anything, which has meant, and importantly, the situation, the banks have been well capitalized. Today, there's a 17 percent capitalization of banks. The NPAs have been brought down, which just means that it is a very strong and robust system, and especially where I see it, the new markets developing in the tier two, tier three, tier four cities is significant, and hence, growth, let's say, for a non-banking company or the shadow banks is much higher today. The top shadow banks today are growing anywhere from 25 percent per year with good credit quality. So this is not available elsewhere. So I would say that the regulation is good, the technology is good today, and it looks an optimistic picture.

Karan Bilimoria 12:14

Fantastic. And this is all powered by the Aadhaar card, the identity card that not every country has. And is it a billion people now that have an Aadhaar card?

Ajay Piramal 12:24

Yes, must be more than that. More than a billion.

Karan Bilimoria 12:26

More than that. And that's enabled the financial inclusion and then the payment systems, as you were saying. Fantastic payment systems.

Ajay Piramal 12:32

And if I may add, actually, the scores, the CIBIL scores, is a very reliable way of understanding what is a credit quality of an individual, which ensures that the credit quality is good and people are willing to pay. Also, frankly, the whole bankruptcy code has come in, which means that people earlier, it was difficult to always recover funds. With the bankruptcy code today, if you default, you can be hauled up and consequences are severe.

Karan Bilimoria 13:07

Fantastic—

Ajay Piramal 13:08

—So all this—

Karan Bilimoria 13:09

—Marvelous. Final, just very quickly, you deal in the consumer space. So just a little bit about—

Ajay Piramal 13:11

So again, the middle class opening up means that there are many more consumers moving in. Today, we have almost 600 million people are really middle class, as you said, and these are young people whose aspirations are higher. Our still borrowing to GDP is lower than most developed countries. I think it's about 70 percent to GDP, where globally advanced countries go up to 156 percent as debt to GDP. And therefore, again, as people start borrowing more, as they start more and more people coming into the middle class, as you said, the fastest number, some people say it's 400 million in the last 12 years. It could be 300 to 400 million people moving into middle class means there's more spending. Consumption has to go up. We are basically a domestic economy.

Karan Bilimoria 14:07

Fantastic. Thank you. Thank you so much, Ajay Piramal. And now, Haigreve Khaitan, Lawyer. Tell us about the Indian—You do M&A transactions. There's this perception of India and the legal process. How has that come along? Foreign lawyers now, are they allowed to practice in India?

Haigreve Khaitan 14:36

Well, I'd say first, let me start by saying, as an M&A lawyer, I haven't seen a more strong deal appetite from foreign investors as I'm seeing now, having practiced for more than three decades. And there are several factors behind this. I'd say first, we've had a very stable government now for the third term, and that stability in policy and the rule of law has ensured that confidence to the foreign investor. Some of the other sort of reasons for the stability and the foreign investment and M&A climate, I'd say the second really is on account of the fact that look at our rating from S&P. After an 18-year period or hiatus, we've got a triple B plus sovereign rating for the country. When we talk about the change in law and policy certainty, we were scarred by the Vodafone and Cairn retrospective amendments on account of tax. Now, that is something of the past. Recently, we had a Tiger Global judgment, again looking at the past, but look at how the government has acted this time. This time around, within a few days, there was a government clarification that we will not look at the past. We will not reopen the past. So there has been a huge change, resulting in a very positive environment—

Karan Bilimoria 16:26

—Excellent. Thank you—

Haigreve Khaitan 16:27

—for foreign investors—

Karan Bilimoria 16:28

—But that said, there's this perception, as I said, I chair the International Chamber of Commerce, and we have the ICC arbitration court, the biggest in the world. \$300 billion worth of live cases right now. But with India, there's this perception that, oh, if you take someone- it takes a long time for the judgment to be enforced. What's the reality?

Haigreve Khaitan 16:51

Well, I think you make a fair point, and that perception, to a great extent, is perhaps true because we are a population of 1.45 billion. And with a population of 1.45 billion, we do have a large number of cases pending. But let's look at what has really happened. When I started practicing, when India was liberalizing, if you wanted to enforce a foreign judgment or enforce a contract against a party in India, you really relied on good faith. You relied on the intent of the counterparty, really, to be able to enforce the contract. How has that changed? That has changed today by several amendments to the law. The Arbitration Act has been amended. The Arbitration Act now provides for a timely resolution and arbitration of the dispute. It provides for very limited grounds under which an award can be challenged. And you mentioned ICC. The move from ICC has happened to Singapore, and now the consideration is Mumbai arbitration. Courts are very reluctantly interfering with arbitration awards. And I'll give you a few examples. Look at the sort of Amazon Future case, which was arbitrated in Singapore. The courts in India refuse to interfere with the emergency award, and there's no bias whatsoever vis-à-vis the foreign party or the Indian party.

Karan Bilimoria 18:29

And it was enforced?

Haigreve Khaitan 18:30

And it was enforced.

Karan Bilimoria 18:31

And what about you go to an Indian court, and you go through the appeal system in the Indian courts?

Haigreve Khaitan 18:35

So again, I'll give you another example. Look at the DoCoMo judgment against Tatas. In a record period of 18 months, you got an international award enforced in Indian courts and a recovery of more than a billion dollars in damages.

Karan Bilimoria 18:52

Wow.

Haigreve Khaitan 18:52

Now, one would say that, look, the lower courts, yes, there's a lot of work to be done in the lower courts. But when you're really looking at commercial contracts and you're really looking at enforcement, you're really looking at arbitration and international arbitration—

Karan Bilimoria 19:08

—Fantastic—

Haigreve Khaitan 19:09

which has greatly improved.

Karan Bilimoria 19:10

And final question. Foreign lawyers. For years, when I founded the UK India Business Council, I was chair of it, and we were saying, "When can foreign lawyers actually practice in India?" To India's benefit, as well as the foreign lawyers. I believe now you can, but they can't be in court. Is that correct?

Haigreve Khaitan 19:24

That is correct. The law has been amended. Foreign lawyers can practice in India, except for practicing in Indian courts in disputes matters, and it is now an open environment. So I think it's a very robust development of the legal practice in India, and I'm sure we'd see more and more foreign firms set shop in India—

Karan Bilimoria 19:47

—Fantastic—

Haigreve Khaitan 19:48

—over a period of time.

Karan Bilimoria 19:49

Thank you so much, Haigreve Khaitan. And now, Suneeta, if I may come to you. Suneeta Reddy of Apollo Hospitals. Now, India's growth and population means huge demand for health care.

Suneeta Reddy 19:59

Yes.

Karan Bilimoria 20:00

What are the challenges? What are the opportunities in your area?

Suneeta Reddy 20:04

So, let me start with the opportunities. I think to understand the opportunities, the first is to realize that India is a very unique country, and what we've done in India is really innovation at scale. It is process innovation at scale. And when I say process, so let me give you an example. If you were to have a cardiac surgery in the US, it would be \$100,000. In India, it would be \$8,000. So that is really innovation at scale. And it's not just Apollo. It is the Swiggy, it is the Zomato. It is all of these players that are really innovating, are working at process innovation and bringing down cost. And when we do so, I think we have a huge market in front of us. So let me define the Indian market for a minute. If you look at India, it is the world's largest democracy. It is the third-largest consumption economy in the world. And you've said it, average age of Indians is 29, but by 2030, 20 percent of Indians will reach the silver age, the geriatric. They become geriatric. So, the demand will change, and I think that India being what it is, it prepares itself for demand. So beyond that, if you look at the average Indian, the average Indian is today well-educated. The education level in terms of literacy, its already moved up. So from about 60 percent, 77 percent of the women are educated. If you look at men, it's about 84 percent. So you have a very educated population that is ready to consume. You have 250 million consumers, and beyond that you have the 100 million who are willing to pay high-end. So if you look at Indian health care, 68 percent of the consumption happens in the private sector. So we—

Karan Bilimoria 22:23

—What percent? 16?

Suneeta Reddy 22:25

—68.

Karan Bilimoria 22:26

68?

Suneeta Reddy 22:27

68 happens—

Karan Bilimoria 22:2

—is the private—

Suneeta Reddy 22:29

—In the private sector. And to think that private individuals have access to good health care. And I think that really makes health care—it democratizes, it makes it equitable and accessible. So it's not just health care. I think it's happening in literacy where the government is doing so much in the digital space where people can also have—it's picked up literacy levels. It's happened in so many areas of Indian health care, and I think to be able to be a democratic country where you have equitable offerings both in health and education is vital for the growth of the economy.

Karan Bilimoria 23:13

But you say that, but if you compare it, say, with the UK where you've got the National Health Service where health is free at the point of delivery for everybody. And in India, you've got government hospitals.

Suneeta Reddy 23:25

Yes.

Karan Bilimoria 23:25

But they only make up a minority. And so somebody going to a government hospital, but you're saying 68 percent come to you, to a private hospital. How do you see this developing in the future?

Suneeta Reddy 23:36

So—

Karan Bilimoria 23:36

—With health insurance, how is that market growing?

Suneeta Reddy 23:38

So India's developed a very robust health insurance product called Ayushman Bharat. And just a few years into the implementation of Ayushman Bharat, there are about 750 million people who are already enrolled with their health record available on the system. So what happens is, if you look at Indian—So all of them have access both into the private and the public sector.

Karan Bilimoria 24:06

Fantastic.

Suneeta Reddy 24:06

And because the private sector is affordable, whether it's a big corporate hospital like an Apollo or a small nursing home that provides care, they have access even through a government insurance program.

Karan Bilimoria 24:19

Fantastic. Brilliant. So that's the way it is inclusive.

Suneeta Reddy 24:22

Yes.

Karan Bilimoria 24:22

And they have access through this huge 750 million people insurance scheme.

Suneeta Reddy 24:26

Yes.

Karan Bilimoria 24:27

Excellent. And you talked about being a developed economy. India's target is it'll be a century as an independent country in 2047.

Suneeta Reddy 24:37

Yes.

Karan Bilimoria 24:38

That's not that far away. Per capita GDP in India is still under \$3,000, and the target is by then to get up to \$30,000 per person.

Suneeta Reddy 24:48

Yes.

Karan Bilimoria 24:48

So that's the challenge. And your field, health, is going to play a major role in enabling that to happen. Final question for you. Women. You have been consistently ranked as one of the most powerful women leaders in India. How has the role of women in India, as you've seen it, developed?

Suneeta Reddy 25:06

I think much needs to be done. But I have to say that while I'm a woman, I think like a man. So I always think there should be a level playing field in terms of having the right knowledge. And Indian women are getting better educated. But if you look at participation in the workforce, it is only 43 percent, and this is a huge opportunity for India. There was a McKinsey report that said that with increased participation moving up by another 20 to 30 percent, it would add \$700 billion to our GDP. Another report said that women participating in the workforce would improve the GDP by another 27 percent. So yes, I think that is the next milestone, to include more women in the workforce, to educate, and also to be supportive because you must think of the informal labor role that they play in terms of maintaining households, working on farms. And I think that part of India is yet to be described and moved into the formal economy

on how we can do more for women and also work on women's health, which is a completely different topic—

Karan Bilimoria 26:30

Yeah—

Suneeta Reddy 26:30

—But a very crucial one—

Karan Bilimoria 26:32

—But again, there, if you look at the statistics, if I could show you graphs of women's health, the infant mortality— it's coming down hugely.

Suneeta Reddy 26:41

Yes.

Karan Bilimoria 26:42

Life expectancy—

Suneeta Reddy 26:43

—Yes—

Karan Bilimoria 26:41

—in every way—

Suneeta Reddy 26:44

—Yes, infant mortality has decreased by a factor of four, maternal health has improved by a factor of 10. So the health care indices are looking good. So it is not only life expectancy which has improved from 54 to 76, it's the quality of life that Indians enjoy.

Karan Bilimoria 27:10

Excellent.

Suneeta Reddy 27:10

So a small story here, a small aside. So last week was the birthday of one of our very important doctors who turned 90, and he is very famous. He's from Bombay. He's from Jaslok. And he said this at his party—

Karan Bilimoria 27:26

What's his name?

Suneeta Reddy 27:28

His name? Dr. Mani—

Karan Bilimoria 27:30

—Dr. Mani—

Suneeta Reddy 27:30

—From Jaslok.

Karan Bilimoria 27:31

Okay.

Suneeta Reddy 27:31

So he's a kidney transplant surgeon, one of the best in India. So at his birthday, he looked at me and he said, "You know, I never thought I'd be making this birthday speech at 90 if not for the way that health care's evolved in India. But now I'm confident that I'll make a speech at 100." So that—

Karan Bilimoria 27:55

—Fantastic—

Suneeta Reddy 27:55

—Really represents the evolution of health care in India.

Karan Bilimoria 27:58

Brilliant. Thank you. Thank you so much, Suneeta Reddy. Now, Vivek Lall, if I may come to you, Dr. Vivek Lall. You've dealt with India over the years. You're based here in California. What's happening in defense in your field in India partnering?

Vivek Lall 28:16

Thank you, Karan. I think the defense partnership between the US and India and the Indian ecosystem—there has been a tremendous progress in the last several years. Not just in ambition, but in confidence and real capability. I think over the years, various stakeholder groups have really come together and aligned for real progress in defense, in space, in artificial intelligence, in semiconductors, all critical technology areas. And what is the driver of that is—you have the political spectrum that's aligned with the bureaucratic spectrum, that's aligned with the industry captains, in terms of the large, the small, the medium industries, as well as this new startup India, which has given a great boost to, and a kind of an engine of growth to many sectors, including space, including, as I mentioned, semiconductors, artificial intelligence. So as a result, you see if you connect some of the data points that everyone's heard just now in terms of what Ajay said about the domestic strength and the domestic consumption, and how Haigreve mentioned the import of foreign talent, where it makes sense. And certainly, I've seen in the defense and aerospace area, what Suneeta mentioned in terms of women getting more active. We are partnered, for example, with an artificial intelligence company and a semiconductor company, which is owned, operated, led by a woman who is, again, tapping into the global talent pool and moving the ambition forward.

Karan Bilimoria 30:17

Suneeta mentioned the point about how India is so much cheaper. When you go to see a doctor in India, I'll give you an extreme example. You go to see a GP in India, in Dehradun, where my mother lives. You'd call that a tier two city? Two million people.

Haigreve Khaitan 30:30

Tier three, probably.

Karan Bilimoria 30:31

Tier three, two million. How many cities in India have a population over a million? 50?

Vivek Lall 30:36

Yep.

Karan Bilimoria 30:36

60 cities? Can you imagine? Forget the metros of Delhi of 33 million and the big cities like Mumbai. But you pay a doctor there, fees are 750 rupees to see a doctor. I saw my private GP in London for 15 minutes, 250 pounds. Where's 250 pounds and where's five pounds? It's just incredible, the value. But in your field, the India space program is doing it at a fraction of the cost, isn't it? Of—

Vivek Lall 31:05

—That's right. And so frugal innovation and innovation and capability, at a low cost. And so as you saw, there was a NASA-ISRO joint satellite put up in space in 2025, and that speaks to the collaboration, but that also speaks to the ability of the talent pool that's available in India, and to your point, at the cost point.

Karan Bilimoria 31:32

And wasn't that program, is it called Chandra, that went up to the south—

Multiple panelists 31:39

Chandrayaan. Chandrayaan.

Karan Bilimoria 31:40

Wasn't that totally—there were a lot of women at the top of that program, the scientists.

Vivek Lall 31:43

That's right.

Karan Bilimoria 31:44

I remember reading. Yes. I think almost all—

Suneeta Reddy 31:46

—They're South Indian—

Karan Bilimoria 31:47

—South Indian as well. Okay.

Ajay Piramal 31:50

And the cost of launching that was less than, we are in Hollywood here, less than a Hollywood production.

Karan Bilimoria 31:59

So that's amazing. But Vivek, now your defense, the whole defense area. What about all your drones and your unarmed unmanned aircraft? Isn't India now buying a lot of those?

Vivek Lall 32:11

Yeah. There was a government-to-government transaction where India's bought 31 MK-9Bs, as they're called, as the unmanned aircraft. Along with that, there's a lot of maintenance, repair, overhaul, final assembly, a huge—

Karan Bilimoria 32:28

What is an MK9B, to everyone? What is—

Vivek Lall 32:31

Yeah. So the MK9B is a high-altitude, long-endurance platform for intelligence, surveillance, and reconnaissance. And—

Karan Bilimoria 32:39

—Unmanned—It's a drone.

Vivek Lall 32:40

It's an unmanned drone

.

Karan Bilimoria 32:41

And how big is it? Would it fill up this hall?

Vivek Lall 32:44

It's a fairly big drone with a 70-plus foot wingspan. So—

Karan Bilimoria 32:49

—And how much would one cost?

Vivek Lall 32:52

That depends on—[laughter]—various factors.

Karan Bilimoria 32:55

Roughly...More than a fighter jet?

Vivek Lall 32:58

Well, no. I don't think it's more than a fighter jet. The key about an unmanned platform is that it stays for long durations. The high range—

Karan Bilimoria 33:09

So this can stay up there for a long time.

Vivek Lall 33:11

Right.

Karan Bilimoria 33:11

How long is long?

Vivek Lall 33:14

40 hours up there

Karan Bilimoria 33:15

40 hours?

Vivek Lall 33:16

And as well as it is a sixth or a fifth of the operational cost of a manned fighter. So unmanned is really the wave of the future, as you've been seeing in various conflicts as well. And so the technology has been improving at a very rapid pace, and adoption really at a fraction of the cost.

Karan Bilimoria 33:41

Wow. And you're saying that can we look into the future with fighter aircraft, and you've got a pilot in one, and instead of having other pilots in five or six in formation, they'd be unmanned planes accompanying that pilot?

Vivek Lall 33:59

That's right. So—

Karan Bilimoria 33:59

—Is that happening as we speak?

Vivek Lall 34:00

Yes. That is actually happening, where you have a manned fighter aircraft with unmanned assets, and sometimes you have large unmanned assets having smaller unmanned assets that they deploy.

Karan Bilimoria 34:13

Wow. And with India, this perception that India's been very reliant on Russian equipment. How has that been changing over the years?

Vivek Lall 34:22

I think, over the last 10 years, there's been a huge ratcheting up of the US-India defense relationship. There's some foundational agreements that have been put in place, like CISMOA, LEMOA, etc., that really integrate both the countries in terms of operationally, as well as the defense trade, which is over 25 billion now. But the real key, I think, is the fact that industries on both sides have really married up and really looking at co-production, co-development opportunities, which is beneficial to both sides.

Karan Bilimoria 35:04

And that's the future, isn't it? The collaboration—

Vivek Lall 35:05

—That's right—

Karan Bilimoria 35:05

—Between, say, a company like yours actually manufacturing in India.

Vivek Lall 35:09

That's right.

Karan Bilimoria 35:09

Have you started doing that?

Vivek Lall 35:11

Yeah. So there are various components, etc., that one's doing.

Karan Bilimoria 35:15

Already happening?

Vivek Lall 35:16

It's already happening.

Karan Bilimoria 35:17

Fantastic. Fantastic. Now, could you all please put up questions? Where's this QR code? We need lots more questions coming in from the audience, please. I've got a few to start with, but the more you send, we can put them to our panelists. So can I—if I come to you, Ajay. This is a question that's come from the audience. As India moves towards Viksit Bharat 2047, so that means developed Bharat, developed India, what's the most important shift global investors need to make in how they think about the country?

Ajay Piramal 35:53

I think that they need to look at India as an exciting investment destination, which is such a large domestic market, which is opening up today. Moreover, if you see that the laws are becoming simplified, I think Haigreve spoke about it, and more and more, they're getting easy. The ease of doing business is definitely happening now in India. It's a large market not only for the domestic, but it can be a source of manufacturing high-value, low-cost products for the globe. I give you the example, let's say, of pharmaceuticals. Today, we can make pharmaceuticals which are of global standards at a fraction of a cost. You just spoke about doctors. Can you imagine the service industry? I know friends of mine who have been in this country who are paying a lot of money on insurance, and they have the concierge service, but yet they can't get normal—it takes weeks to get appointments with doctors. And in India, you spoke about it, it's instantaneous, and the quality is as good. So at every field, I think there is an opportunity to get global standard products and services at a fraction of the cost. And there are hundreds of such examples everywhere. So I think that's where a global investor needs to look at it. And with the large population that we have, the young population, this is only going to increase, and we can see the challenges elsewhere in manufacturing. You're in UK, you know what this—

Karan Bilimoria 37:42

—Please, yeah—

Ajay Piramal 37:42

—I mean—

Karan Bilimoria 37:43

So, okay. Suneeta, do you want to come in?

Suneeta Reddy 37:47

No, I just want to add something because, I think government regulation has been very, very positive, and very little has been said about the transformative effect on GDP that has happened over the last 24 months. So when the government announced a tax incentive, which means that a household earning about 25 lakhs, I'm not translating into dollars today because you never know the currency rate, but 25 lakhs pays no tax. They remove GST on things like insurance, the rationalization of GST. And with that, the consumption power of the average Indian consumer transformed dramatically. So we have to think of the average Indian. There is a Lilliput economy. People who can afford to make small transactions, 111 million credit cards have been issued, 20 billion transaction happens. This is both a Lilliput economy where people have this ability to do, as well as the 250 million people who are aspirational. So this has happened because of government-led reform, and I think that with the government proactively acting with the-, the consumer benefits the most. The final thing that I would like to add is, how will India reach that Viksit Bharat target? We have to grow at 8 percent, and that's a given. But the fact is, like Ajay said, we're doing process innovation, and we're able to make things affordable for Indians. But at the same time, companies are investing in AI. They're investing in what is new so that you have the best treatments for cancer, etc. You have defense programs. You have satellites going to space. So this investment, it might be a risk, but it is something that will take India on that trajectory to 2047.

Karan Bilimoria 39:53

Okay, now you've brought up AI investment. India was seen as an outsourcing country. That's changed now, hasn't it? But is India investing enough in R&D and innovation, as a percentage of GDP? I mean, is there a challenge there, an opportunity? With AI in your area, law firms, in the UK, there are many, many people worried about their jobs because of AI being used in law, for example.

Haigreve Khaitan 40:19

I'd say, India is using AI to its advantage, and you can fear AI, or you can really adapt AI and use it to advantage. And I'll give two examples. One is, the GCCs in India. GCCs, we have about 1,800 GCCs in India.

Karan Bilimoria 40:41

Explain GCCs.

Haigreve Khaitan 40:42

The Global Capability Centers set up by multinationals where they've really relocated most of the work in India. Now, those capability centers are moving from just outsourcing centers to innovation centers. And with AI, the innovation happening in those centers, is exactly what India needs and is delivering. You spoke about the young workforce in India. I'd say after China, India has the most STEM undergrad students in the world. And all of that means there's a lot of innovation happening out of India. In the legal field, yes, we are all adopting AI, and it's going to change the way we practice. I think a lot of the low-end work in terms of research, in terms of document writing, drafting, can all be done through AI. But what does that do? That makes India much more competitive at a global platform. And you were talking about international lawyers being allowed in India, and there's no reason why Indian lawyers won't be international. So it'll become a very global practice, and opportunity through AI for the Indians.

Karan Bilimoria 42:02

Great. Thank you. Now, here's a great question that's come across. What are the biggest risks to India's growth story? You're all very positive about India's growth story. I'm positive about it. But come on, what are the risks? I mean—

Ajay Piramal 42:14

—I think one risk—

Karan Bilimoria 42:02

—Ajay, one. Let me just say one—

Ajay Piramal 42:16

—Okay, one—

Karan Bilimoria 42:17

—Declining exchange rate. 10 percent decline in the last year.

Ajay Piramal 42:21

Sorry?

Karan Bilimoria 42:21

If you're an investor, you've lost 10 percent just on the exchange devaluation. What's causing that? Is that one of the risks? Are there more risks?

Ajay Piramal 42:28

No, I think the biggest risk, if you take in the long term, is that how do you provide employment to so many people who are the young people? How do we skill them? The world of—It's going to be very different. Can we equip our young people to meet the challenges of the world? To me, if there is a risk, that is the single, most important risk.

Karan Bilimoria 42:53

Any others?

Haigreve Khaitan 42:54

Well, I'd say that, look, one risk is our energy risk. And India is dependent on oil imports, and the currency devaluation you spoke about is a result of our energy import bill. So I think India has to really work much harder, much quicker on that "Atmanirbhar India", which we call self-sufficient India, on its energy needs.

Karan Bilimoria 43:21

So how would India do that?

Haigreve Khaitan 43:22

And that can be done through various sources. India has probably the third-largest renewable source of power. India's changed its nuclear policy, where private sector participation is allowed in nuclear. India has widened its exploration policy.

Karan Bilimoria 43:41

So SMRs, these small modular reactors—

Haigreve Khaitan 43:42

—Absolutely—

Karan Bilimoria 43:43

—Are now allowed in. Is that an area that you?

Vivek Lall 43:46

Yes, and I was just going to add to what he's saying, is that I think the technology triad, as I'd like to call it, is energy that feeds the AI that—any company or country that's not keeping pace with AI is going to fall behind. So the energy requirements for the AI will feed into things like autonomy, etc. So there's a tech triad here, and it's very important that those three legs are strengthened at a national level, but certainly at a corporate level to ensure continued growth.

Haigreve Khaitan 44:25

I'd say for the first time, India has realized that if you're not born with oil, there are alternatives, and you can work on still being energy sufficient.

Karan Bilimoria 44:35

And that's linked to a question that's come in, that India is hugely exposed to climate shocks. So how can India be more resilient to climate shocks? And that's, I think, what you're talking about—

Vivek Lall 44:44

—Exactly—

Karan Bilimoria 44:45

—There's this huge solar farm, isn't there, coming up that the Adanis are building?

Haigreve Khaitan 44:50

The world's largest, two world's largest solar farms are coming up—

Karan Bilimoria 44:53

—In Gujarat—

Haigreve Khaitan 44:54

—Adanis and Reliance both building in Gujarat.

Karan Bilimoria 44:57

And one, I believe, is the size of the city of Paris.

Haigreve Khaitan 45:00

Larger than the city of Paris.

Karan Bilimoria 45:01

Larger than the city of Paris. Okay. Now here's a question. There's a question here about family businesses. With family-owned businesses, what will it take for them to do more to invest in family businesses? Suneeta, yours is, in a way, a family business.

Suneeta Reddy 45:20

What will it take? I think one is to recognize that when you stay together, you're able to do so much more because there is individual pools of talent within the family, and coming together actually makes that company grow. For us, it's Apollo Hospitals. Four sisters coming together, each with different strengths. I think an amalgamation of skills and really, purpose. It is the values of the family that, for me, matter just as much as the money. Because if the family values doing something for society, that we have a purpose,

then I believe everything else—And Haigreve is a lawyer, so you could ask him—It binds the family together that you have a value system. The second is I think you must give the next generation the opportunity to grow in ways that they would desire. So while you protect the family silver, which for us could be Apollo or two or three other companies, you must give the next generation the opportunity to grow and diversify in the new fields that build to value chains. For example, semiconductors, defense, etc. I think a strong support system for them is really what keeps it going. And in the end, it's all about purpose. We do something that's good for humanity. If my son is in defense, he won't touch artillery because it hurts human life. So it's all about having a purpose and doing something that contributes to human society, that keeps us together. And of course, it's our mother.

Karan Bilimoria 47:11

Of course. Now, Ajay, there's a question directed to you.

Ajay Piramal 47:16

Sorry?

Karan Bilimoria 47:16

Yeah. There's a question. Mr. Piramal, you run a hugely significant company, and at the same time, you're a leading philanthropist in India. What's similar and what's different?

Ajay Piramal 47:26

So what is similar is the purpose. Our purpose, our family, the purpose of our philanthropy is doing well and doing good. So even if it is philanthropy, it's very important that we have to do it well. Yes, everybody assumes that philanthropy means that you keep doing good, but it's a combination of both. Similarly, I think more importantly, in the business as well, there will be certain businesses which we don't think are doing good, and we will not do it. And each one has their own. You can create your own boundaries. I'm not the one here to say that this is a business which is doing good or not, but obviously, there are certain businesses where we would not go. So I think that is one thing which is very common. The second thing is that our concept of really working to see that even whatever we do, we actually act like trustees. We believe our business is of a concept of trusteeship, and that extends to the philanthropy as well. What is the concept of trusteeship? A trustee is somebody who works for the benefit of the beneficiaries. If I have a trust which is a corpus of funds, talent, whatever it is, it should be for the benefit of all beneficiaries. They could be shareholders, it could be employees, it could be society, it could be consumers. So I think whether I do it in my philanthropy or in my business. So that's a lot of common.

Karan Bilimoria 49:15

Thank you. Now, there's a question that's come up and Dr. Vivek, maybe you can answer this. How easy is it in India to get the right talent, whether it's a CEO—Because in the old days, people like you came here to the States to study. Are people, the brightest in India now staying on in India? Have you got enough of a talent pool?

Vivek Lall 49:39

That's an excellent question. And I was actually going to try and address that in one of these questions. At the end of the day, it's about workforce development in terms of what are the challenges for the future and retraining and reskilling and incorporating new technologies like AI. And it can not only happen at the college level, but people in mid-career or late career. But I think the talent pool in India as it stands is extremely positive for a lot of business in a lot of sectors, and I think that is an inherent advantage India has, not only for India but globally. I think that advantage needs to be maintained because I think not a lot is said about the academic communities between, for example, between US and India, and how they can integrate more. I think academia is often the bucket of stakeholders that are not on some of the org charts that make the biggest decisions, but I think they indeed are going to fuel the next generation of talent. And more focus needs to be given to education, especially since AI is kind of taking over a lot of those aspects of how do you evaluate folks, for example, and how you get people, whether they're CEOs or engineers or what have you. I think that's an area of much deliberation and focus for the future.

Suneeta Reddy 51:12

India has this culture of Atithi Devo Bhava. So in terms of service, I think we excel in service industries, which is why services sector continues to grow and will always grow. But I have a different opinion in terms of what we need to do for the future, and I believe that India has 21 IITs. We have 23 IIMs. In spite of all this, all our engineers, including our clinical talent, go abroad for training, and many of them don't come back. So if India has to create that vibrant ecosystem, we have to first improve. We spend 1.8 percent of GDP on research. We have to create that vibrant ecosystem so that all of our engineering talent comes back, all of our medical talent, like it used to, comes back. And whether we do that by giving tax offs and say, "You don't pay tax for 10 years." But we need to first attract those university professors, create those environments where, like at MIT, etc., where we build outstanding talent for the future. We are happy with what we have. It is good. It is great in the sense it's able to supply the rest of the world. But for us to reach that next frontier, I truly believe we have to create that environment for outstanding technicians, doctors, people in space, defense, AI.

Karan Bilimoria 52:59

Thank you. Thank you so much. Now, we're running out of time. Time flies. The hour's almost up. I just need a quick one before I make my concluding remarks, a quick, starting with you, Ajay, final remark from you about this discussion we've had. Any thoughts, final thoughts you want to leave with the audience?

Ajay Piramal 53:21

I just want to leave the audience to say that India is a good place to come. It's a good place to do business with. And the future, if you look at between the India and the US, it can be a very close partnership.

Karan Bilimoria 53:42

Great. Dr. Vivek?

Vivek Lall 53:43

I think innovation and capability is on an upswing, especially in the US-India corridor. I think the very key element that is often not discussed is it has to be done with highest ethical and integrity standards to move to the next level.

Karan Bilimoria 54:00

Thank you very much. Suneeta, what about you?

Suneeta Reddy 54:03

I think India is a great place to invest. I say this because of the consumption story. I say it because of the regulatory environment of the government. And I also say don't look at current EBITDA multiple and what it's trading at because you're going to get returns that will be far ahead of what you even expected.

Karan Bilimoria 54:30

In spite of any currency devaluation?

Suneeta Reddy 54:31

In spite of currency devaluation. So this is the time to invest in India. This is the opportunity at a time when the world is looking dull and India is looking probably a little difficult.

Karan Bilimoria 54:42

Fantastic. Thank you. And Haigreve, finally.

Haigreve Khaitan 54:45

Well, I just had a meeting with a US colleague of mine, and he said that, "Look, you are most fortunate to be born in India." And I said, "That said it all for the India opportunity."

Karan Bilimoria 55:00

Wow. Fantastic. So I want to thank you all because lots of questions here. I've tried to cover as many of them in the time that we've had. There's one about the alcohol market in India. I won't go into that. But thanks so much for all the questions. So my job in less than five minutes is try and pull this all together. So first and foremost, thank you for my fantastic panel. To have this excellence right here representing India, whether it's in pharmaceuticals, in financial services, in defense, in the hospitals, in the legal services. This is India going ahead. And just a few points to highlight. The four trillion economy, by 2030 India will be the third-largest economy in the world. I've always made this prediction, by 2060 India could be the largest economy in the world. And that's the challenge going beyond. And this domestic consumption, the manufacturing. We've got manufacturer, manufacturing. I was a manufacturer. To go from 15 percent to 25 percent. SMEs, the small and medium-sized enterprise in India. The young population that we spoke of, the bankable accounts. Financial inclusion that has taken place is absolutely huge, and the low cost of transactions. And then the credit scores, the bankruptcy laws, middle class. Now, there are different figures for middle class. One extreme is 600 million. People say 300 million. But it's big, whatever it is, and it's increasing in a huge way. One point to make about democracy. We take it for granted. To be investable as a country, do you have a robust democracy? Don't ever take this for granted. This is the biggest democracy in the history of this planet. And all the way since 1947, India's democracy has been robust and it's endured. The armed forces have never- My father was Commander-in-Chief of the Central Army in India. Never once have the armed forces in India ever interfered in politics. Never has there been even a whiff of a coup or anything like that. And if you look at India and the South Asian, the subcontinent, it's an oasis surrounded by a lot of instability in our neighboring countries of India, and India's been that rock-solid democracy that we should never take for granted. And the other point about India is it is the most diverse country in the world by far, and I think that diversity is India's strength. Whether it's diversity of race, diversity of religion, diversity of language, diversity of terrain. No other country comes close to it when it comes to diversity. The perceptions about India, the foreign lawyers now being allowed to practice at long last. Innovation, this kept coming up. India is now an innovation powerhouse with the GCCs that you spoke about. It's the third-largest consumer market in the world. Young population, but it's going to keep growing older. The literacy rates, Suneeta, you spoke about. Look at these. Phenomenal literacy. If I told you the literacy rates 100 years ago in India, women's literacy was, like, 2 percent. And look where it is today. It's 77. It needs to go up more, but it's improved a huge amount. Health insurance—

Ajay Piramal 58:22

—I have to give you, on literacy, one number—

Karan Bilimoria 58:24

—Yes.

Ajay Piramal 58:25

When India got independence in 1947, our literacy was 17 percent with so many years of British rule, and our longevity was 34 years. So that's what—

Karan Bilimoria 58:39

—Phenomenal—

Ajay Piramal 58:39

—Today it is 75-year longevity and literacy rates are above 95 percent.

Karan Bilimoria 58:45

Fantastic. Now that's brilliant. And health care, people don't realize this. Insurance schemes Suneeta talked about: 750 million people, through the government, have access to private health care or government hospitals. Women, we spoke about that. The 90-year-old doctor celebrating his birthday and he's going to look forward to his 100th as well. Space, we spoke about India's space program and how, again, women are involved there. The transactions, 20 billion, did you say? 20 billion transactions. This is the scale, which is unbelievable. And with AI, there is a huge opportunity. People talk about India being left behind. It's actually right in there, and it's being used in a big way. The employment challenge. This is a real challenge, I think, that Ajay mentioned. That is a challenge in many countries, but a challenge in India as well. And we talked about family businesses and talent and universities. Now, here's something we didn't touch on. Foreign universities are now allowed to open up in India, and many of them have opened up. I led a delegation of business schools, 33 from the UK to India last year. As a result of that, over a dozen UK universities have now opened up in India. Many more will be, and that's good news for India. And the 21 IITs and 23 IIMs, that is only going to increase. And your final remarks, you're all positive about India being a good place to invest, a good place to do business. And I conclude with this. India, like the US, like the UK, has a great combination of hard and soft power. It's got one of the largest defense forces in the world, huge manufacturing industry, great legal services, professional services, lots of hard power. But India also

has phenomenal soft power. Thousands of years of civilization through whether it's Bollywood, whether it's music, whether it's history and its depth that comes across. And tourism, an untapped potential in India with the level of service in India the best in the world, and yet we've got a tiny number of tourists that come to India. That could grow a hundredfold. So a land of potential and a positive country in which to invest in. Thank you so much.

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