

India IT companies ramping up efforts to win China biz: Report

Beijing, Jan 17: In the backdrop of the concerted efforts to persuade China to give greater market access to Indian IT and pharmaceutical products, software companies like TCS and Wipro are "ramping up" efforts to win business in the Communist country, according to a media report.

Tata Consultancy Services Ltd (TCS), India's largest IT services company by sales, is leading the effort to expand the presence of the Indian IT industry in China, state-run *China Daily* reported. However, cracking the Chinese market may not be an easy job, the report said.

"Chinese companies are still used to the traditional global brands. They have not yet seen us. So it is also a question of brand-building for us," TCS Asia-Pacific region head Girija Pande told the daily.

Unlike their Western counterparts, large Chinese companies usually have their own IT department and domestic outsourcing in China is yet to take shape.

"But when they start doing it and focus on their core business, then the Indian companies can bring value to China's domestic outsourcing market," Pande said.

With the trade deficit between the two countries expected to widen with record bilateral trade worth \$60 billion in 2010, India has been pressing China to give market access for IT, pharmaceuticals, agro-products and engineering services in a big

way, as they presume to have good scope to grow in Chinese markets.

During his recent visit to New Delhi, Chinese Premier Wen Jiabao had promised to facilitate greater market access for Indian goods and services. However, little action has been seen on the ground.

In recent years, TCS has emerged as the largest Indian software company, servicing large Chinese state-run companies.

It has established a noticeable presence in China's banking industry.

Four major Chinese banks, including Bank of China and Hua Xia Bank, use TCS's core banking system, the *China Daily* report said.

Pande said TCS needs to further increase its presence in China and added the company is very keen on expanding into the sectors of government, insurance, healthcare and manufacturing. "I think we have to get more Chinese large companies to see our capability," he said. TCS currently hires more than 170,000 people in 40 countries around the world, but it only has 1,200 people in China.

Pande said the company plans to increase its workforce in China to 5,000 people in the next three years. Pande also pointed out that Indian companies which are used to working in the English market need to shed the mindset that language is a barrier to business in order to have a fully-fledged operation in China.

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