



A PENN SCHOEN BERLAND - BLOOMBERG UTV POLL

THE PULSE OF INDIA INC.

India's top managers surveyed on their plans for growth in 2011 -- and the priorities they believe the Finance Minister should set in his budget



PENN
SCHOEN
BERLAND

Bloomberg | UTV
BLUNT. AND SHARP.

BASED ON

127

PHONE INTERVIEWS AMONG

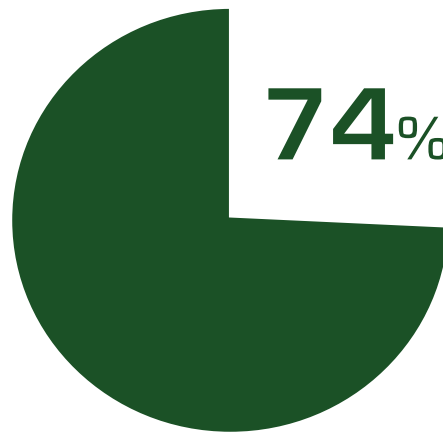
CEOS, CFOS, Vice Presidents,
Heads of Business Units, General
Managers and Senior Managers

India Inc. is confident about the economy and has aggressive growth plans. The vast majority of those surveyed expect at least the current growth rate (7-8%) to continue, or to grow faster. And India's business elites have global and local expansion plans, with a new investment horizon of 6-12 months, with corresponding aggressive hiring plans to support expansion and growth, even while global recovery continues to move slowly.

Indian managers believe that the revival of the economy's agriculture and food sector should be top priority in the 2011-2012 budget. Other pressing issues include industrial growth, transparency & public accountability, infrastructure & real estate, and fiscal consolidation & monetary discipline.

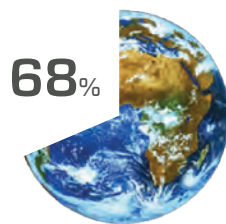
However, India Inc. is divided when it comes to the Financial Ministry's ability to deliver on reforms promised due to coalition politics.

CONFIDENCE IN ECONOMY FUELS INDIA INC.'S AMBITIONS



74% of respondents are **MORE CONFIDENT** about the growth of the Indian economy as compared to last year.

90% BELIEVE THAT THE ECONOMY WILL GROW AT A RATE OF 7% OR MORE



of Indian managers plan to expand **GLOBALLY**



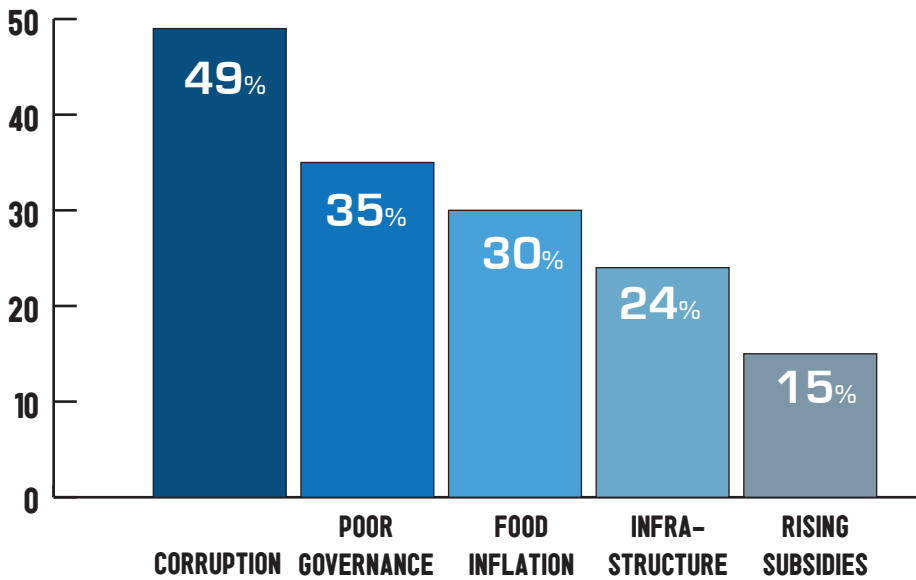
of Indian managers plan to expand **LOCALLY**

JUST 2% PLAN TO REDUCE THE SCALE OF THEIR OPERATIONS

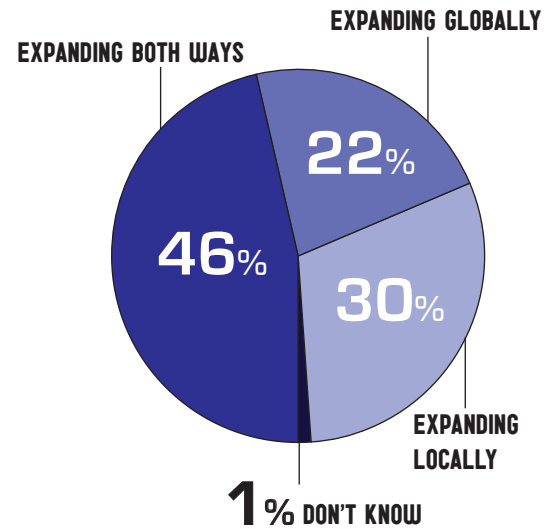
Of managers who plan to expand, 45% plan to infuse fresh capital locally, 21% plan to acquire companies, 21% plan to seek FDI.



KEY CHALLENGES TO INDIAN ECONOMY

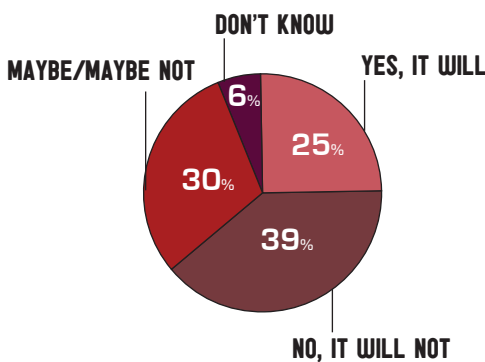


Managers planning expansion are looking both locally and globally

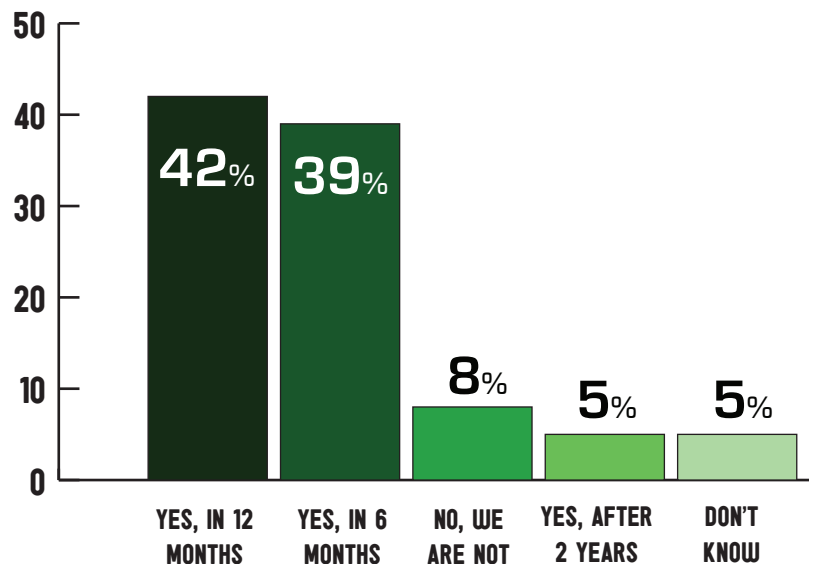


Creating jobs and hiring talent in the next year: 67% plan to hire more people, 34% will enhance compensation/increase salaries; however, 21% will rationalize headcount.

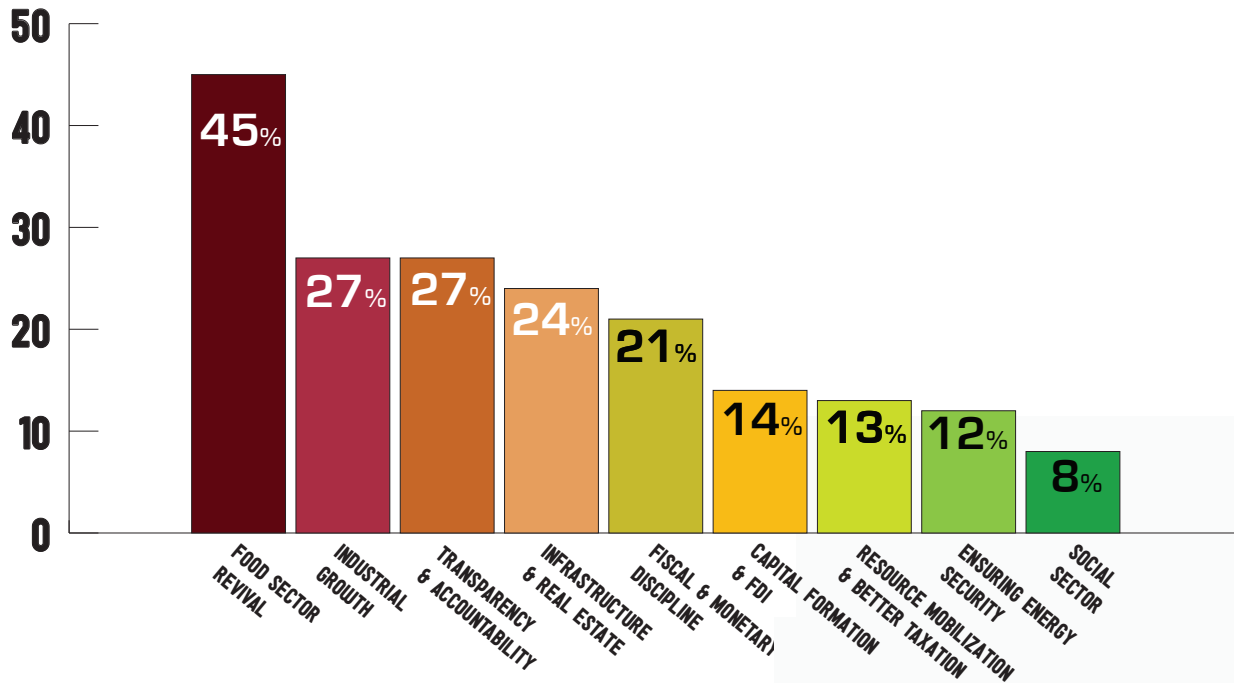
WILL COALITION POLITICS ALLOW THE FM TO DELIVER HIS PROMISED REFORMS?



INDIA INC. PLANS FRESH INVESTMENTS



INDIA INC.'S TOP PRIORITIES FOR BUDGET 2011



India Inc. believes that to manage High Food inflation, the Finance Minister must extend easy credit support to farmers & find ways to reduce wastage of food supplies besides providing a fillip to industrial sector through access to credit, while making tax laws more transparent, creating reform advisory groups, and evaluating programme implementation to manage the governance deficit and improve transparency.

India Inc. believes that the best ways to manage the Fiscal Deficit are to implement GST, introduce the Direct Tax Code & allowing FDI in sectors such as retail, and raising caps in sectors such as insurance.

ON THE AGRICULTURAL SECTOR...



33% SUPPORT EASY CREDIT

ON INDUSTRIAL GROWTH...



59% SUPPORT CREDIT EXPANSION TO INDUSTRIAL SECTOR

TO INCREASE TRANSPARENCY...



32% SUPPORT TAX LAW REFORM

TO REFORM INFRASTRUCTURE...



52% SUPPORT GREATER INFRASTRUCTURE INVESTMENT

TO ENFORCE MONETARY DISCIPLINE...



41% SUPPORT A GOODS AND SERVICES TAX

TO SUPPORT CAPITAL FORMATION...



50% CALL FOR ALLOWING FOREIGN DIRECT INVESTMENT

TO FURTHER RESOURCE MOBILIZATION...



44% SAY IMPLEMENT A GOODS AND SERVICES TAX

ENERGY SECURITY

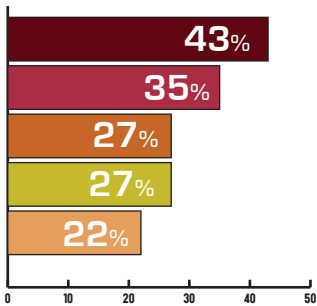


40% SAY RENEWABLE ENERGY MUST BE DECENTRALIZED

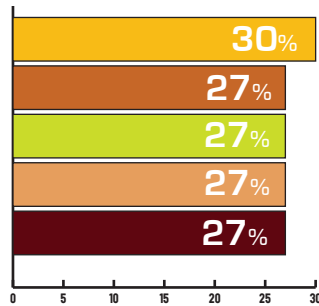
BREAKING PRIORITIES DOWN BY SECTOR

- AGRICULTURE & FOOD SECTOR REVIVAL
- FILLIP TO INFRASTRUCTURE & REAL ESTATE SECTORS
- RESOURCE MOBILIZATION THROUGH BETTER
- PUSHING INDUSTRIAL GROWTH
- FISCAL CONSOLIDATION & MONETARY DISCIPLINE
- ENSURING ENERGY SECURITY
- TRANSPARENCY & PUBLIC ACCOUNTABILITY
- CAPITAL FORMATION & FOREIGN DIRECT INVESTMENT
- SOCIAL SECTOR & INCLUSIVE GROWTH

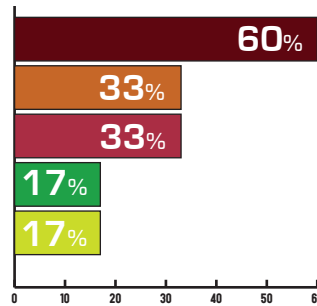
MANUFACTURING



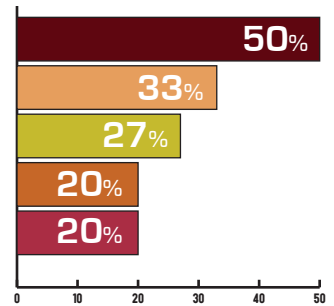
SERVICES



ENERGY & INFRASTRUCTURE



IT & TELECOM



Penn Schoen Berland (www.psbresearch.in), a member of the Young & Rubican Brands and WPP is a global research-based communication advisory that specialises in messaging and

strategy for blue-chip corporate, entertainment and political clients. Rooted in market research, we have over 30 years of experience in generating unique insights about public opinion, providing

clients with actionable ideas that give them a competitive edge.

We call it ■ WINNING KNOWLEDGE™.

If you would like to use the services of Penn Schoen Berland, please send an email to:

Shefali Khanna
Director Marketing, South Asia
skhanna@ps-b.com



**Penn Schoen Berland,
but you can call us
'Campaign Strategists'**

Helping our clients win is what excites us. Our political heritage ensures that we keep the Client's competitors firmly in sight when developing any insight based communication strategy. Little wonder that we have a win record of over 75% of all political campaigns we have managed.

For over 30 years, we've leveraged public opinion to generate actionable insights that have helped Chief Executives, National Leaders and 30 of the Fortune 100 companies around the world gain a competitive edge. This is what we call Winning Knowledge™.

Call Ashwani Singla, MD & Chief Executive, South Asia, at +91 9811075843 or email him at asingla@ps-b.com to know how our Winning Knowledge™ can help you beat your competitor.

New York • Washington • Denver • Seattle • Los Angeles • San Francisco • Austin • London • Hong Kong • Beijing • Dubai • Delhi



**PENN
SCHOEN
BERLAND**