Grant Thornton

भारत का उच्चायोग, लंदन
High Commission of India
London, United Kingdom

FICCI
Federation of Indian Chambers of Commerce and Industry

India in the UK: The diaspora effect

Celebrating the energy and entrepreneurship of the Indian diaspora in the UK

February 2020



Contents

Section	Page
About our research	03
Foreword	04
Introduction	06
India in the UK: the story so far	09
Our key findings	13
Biggest Indian diaspora employers	18
Five priorities for even faster growth	20
Conclusion: writing the next chapter	22
About Grant Thornton and FICCI	23





About our research

This report, produced in collaboration with the High Commission of India in the UK and the Federation of Indian Chambers of Commerce & Industry (FICCI), aims to highlight the enormous contribution of the Indian diaspora living in the UK, across all walks of life.

The report provides key findings on the economic contribution of Indian diaspora-owned UK businesses based on their latest published accounts. It also identifies the top Indian diaspora employers – those companies that employ more than 1,000 people in the UK.

Because of inherent difficulties in identifying ownership by ethnicity and given there is no single record of UK companies owned by the Indian diaspora, our research relies on the accuracy of the data available to us. However, we expect our research to be further enhanced over time. In the absence of such records we adopted the following methodology to identify Indian diaspora-owned companies.

We started by identifying the 250 most commonly recognised Indian family names from publicly available sources as well as from our deep understanding of the Indian diaspora marketplace. This selection was further confirmed by the High Commission of India as being common surnames of Indian origin.

Taking into account these last names we researched available databases to identify companies that are majority owned by the Indian diaspora, with at least one director of presumed Indian origin living in the UK. We then researched these individuals, via publicly available information, to further assess their cultural origins and ethnic backgrounds. In addition, we also used our own market intelligence and knowledge of Indian diaspora-owned companies to supplement the selection.

This year the number of companies complying with the above criteria and with annual turnover of at least £100,000 is 654.

Whilst we have made every effort to ensure the robustness of our approach, assumptions and ultimate conclusions, the inherent lack of authoritative datasets on the cultural background of UK company directors means there may be additional Indian diaspora companies not included in our research. Similarly, our interpretations and assumptions might, in limited circumstances, prove erroneous. As such, the facts and figures contained within this report should be treated as indicative, rather than absolute.

Foreword



Mrs Ruchi Ghanashyam
High Commissioner of India to the United Kingdom

From the High Commissioner of India to the UK.

The UK has a large Indian diaspora, estimated to be almost 1.5 million strong. The Indian diaspora has made valuable contributions in the areas of academia, literature, arts, medicines, science, sports, industry, business and politics, among others. The diaspora's many contributions in these diverse spheres are widely acknowledged and appreciated.

Given the size of the Indian diaspora in UK, the High Commission of India requested Grant Thornton to collaborate with the Federation of Indian Chambers of Commerce & Industry – UK (FICCI UK) to help develop a better understanding of the contributions of businesses owned by people of Indian origin to the UK economy. This exercise appeared to be a natural corollary to the annual Grant Thornton and Confederation of Indian Industry (CII) tracker report – 'India Meets Britain' – on the contribution of the Indian-owned companies that have a significant base in the UK. The task has been challenging due to the size of the diaspora and paucity of readily available information in the public domain. The work done by the experts at Grant Thornton with inputs from FICCI-UK in preparing this report is, therefore, much appreciated.

This report does not claim to be an exhaustive record of the full contribution of the UK businesses owned by the Indian diaspora. It covers over 650 relatively large businesses owned by the Indian diaspora, which were looked at in greater detail. However, I do commend the achievements and contributions made to the UK economy by all the Indian diaspora-owned enterprises, big or small, that could not be included in this report. We hope that, over the years, the contributions of more such enterprises will be added as and when the next edition of this report is brought out.

It is with immense pleasure that I dedicate this report to the proud Indian diaspora in the UK, whom the Prime Minister of India, Mr. Narendra Modi, warmly describes as a 'living bridge' between the two countries.

I thank the team at Grant Thornton, FICCI-UK and the Economic Wing of the High Commission for their assiduous work in bringing out this report.



The Rt Hon. the Baroness Usha Prashar of Runnymede CBE, PC
Chairperson - Federation of Indian Chambers of Commerce & Industry – UK (FICCI UK)

From the Federation of Indian Chambers of Commerce and Industry (FICCI).

I am delighted that the Federation of Indian Chambers of Commerce and Industry (FICCI) has collaborated with the High Commission of India and Grant Thornton to throw a spotlight on the enormous contribution the Indian diaspora is making to the prosperity of the UK in all walks of life.

The Indian diaspora is gaining increasing recognition for the significant contribution it makes to its host countries and to India. As the size, spread and influence of Indians around the world grows, the potential of the diaspora to make a substantial contribution to its adopted countries around the world and to India is enormous.

India recognised this potential and instituted Pravasi Bharatiya Divas (PBD) in 2003 , an event that encourages the diaspora to participate in finding solutions to some of India's socio-economic challenges as well as providing a platform for the promotion of investments and mutually beneficial exchanges. FICCI is proud to have been associated with PBD since its inception.

The economic contribution of the Indian diaspora in the UK is rightly applauded and commented upon but to date it has not been quantified. This report is an attempt to fill that gap. It provides very helpful information which we hope will be built upon in the future. This is an excellent start and the report's key findings are a matter of both pride and celebration.

Introduction

It's almost 30 years since we started Grant Thornton's South Asia Group. Our purpose was primarily to serve the growing community of Indian businesses in the UK, both those owned by Indian parent companies and those owned by the Indian diaspora operating in the UK. Back then, the wealth generated by Indian diaspora-owned UK businesses was estimated at around £7 billion[1]. Today, that figure is considered to be closer to £75 billion[2]. This report celebrates the contribution of the Indian diaspora not just to the UK's economic prosperity, but increasingly to its wider society too.

Our report indicates that the 654 companies researched with turnover of over £100,000 generate a cumulative annual turnover of £36.84 billion. They are also important employers. Together, these companies provide jobs for more than 174,000 people in the UK.

We are the only existing accounting services firm that has worked in such a focused way with Indian businesses in the UK over the past three decades. We are proud to advise and witness their growth journey and achievements over this time.

Our congratulations go to all the Indian diaspora-owned UK businesses that are making a positive contribution to the UK economy. We look forward to tracking their progress in the future.



Anuj Chande
Partner and Head of the South Asia Group
Grant Thornton UK LLP
T +44 (0)20 7728 2133
E anuj.j.chande@uk.gt.com

Indian diaspora in the UK at-a-glance

We researched just over 650 Indian diaspora-owned companies to highlight their contribution to the UK based on their latest published accounts[3].

654
Indian diaspora-owned companies have an annual turnover of at least £100K

£36.84bn
Combined revenues

174,000+
Employees

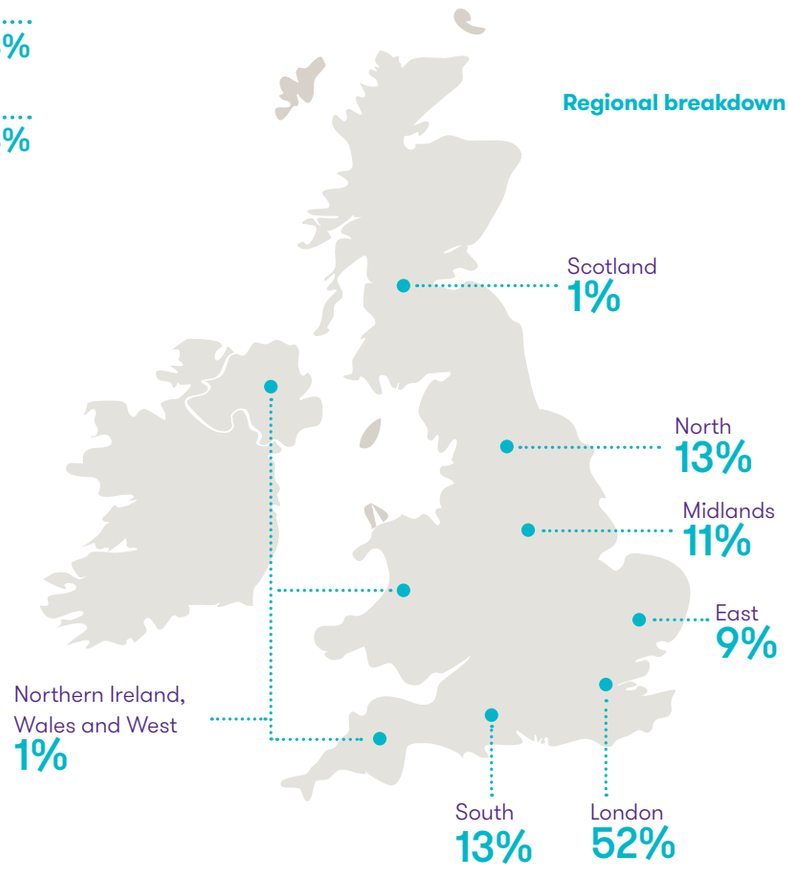
£1bn+
paid in corporation tax

£2bn
invested through capital expenditure

Sector breakdown

- Hospitality 19%
- Healthcare and pharmaceuticals 15%
- Retail and wholesale 13%
- Real estate and construction 13%
- Food and beverage 9%
- Tech and telecoms 8%
- Business services 7%
- Financial services 5%
- Engineering and manufacturing 3%
- Tourism and leisure 2%
- Automotive 2%
- Energy and natural resources 2%
- Media 1%
- Not for profit and education 1%

Regional breakdown







India in the UK: The story so far

A flair for entrepreneurship sees Indian diaspora-run businesses making an increasingly important contribution to the UK economy.

Indian diaspora entrepreneurship in the UK began many decades ago. Since the 1950s, Indians have come to the UK to contribute to the country's economic development or, in the case of Indians expelled from Uganda, to seek refuge. Today, almost 1.5 million[4] strong, they make up one of the most prosperous and dynamic ethnic minority communities in the UK.

Their energy and ambition is reflected in high rates of employment and professional qualification. In the UK, the rate of employment among Indians is higher than among any other ethnic group. Meanwhile, more than 50% of Indians in the UK are qualified to degree level and over 40% work in managerial and professional occupations[5].

Switched on to business

A flair for entrepreneurship sees Indian diaspora-run businesses making an increasingly important contribution to the UK economy. Our research suggests that in the UK, there are now more than 65,000 Indian diaspora-owned companies. Of these, the 654 companies we researched have a combined turnover of more than £36.84 billion and pay over £1 billion in tax[6].

This success means some Indian diaspora business leaders are among the wealthiest people in the UK. Srichand and Gopichand Hinduja often top the Sunday Times Rich List. Meanwhile, steel magnate Lakshmi Mittal, one of the leading members of the Indian diaspora living in the UK, spent eight years at the top of the same list[7].

Other high-profile Indian business names in the UK include Lord Karan Bilimoria, founder of Cobra Beer, and Kartar and Tej Lalvani, Chairman and CEO respectively of the UK's largest vitamin company, Vitabiotics.

Businessmen like these follow in the footsteps of one of the first notable Indian entrepreneurs, Gulam Noon, Lord Noon (1936–2015). Having arrived in the UK in the 1970s with just £50, he built a business empire catering to Britons' love of curry and acquired a personal fortune of £65 million. He entered the House of Lords in 2011 and gave away millions to charities in the UK and India through his charitable foundation[8].

The next wave

A new generation of Britons of Indian heritage is now taking up the baton. On the business scene, ones to watch include Mohsin Issa and Zuber Issa of Euro Garages, the Arora brothers of the B&M retail chain, Rishi Khosla of OakNorth Bank and Kuljinder Bahia of Southall Travel. Their achievements are increasingly matched by compatriots making waves in the arenas of politics, sports, arts and science. We highlight some of the biggest success stories below.

As second- and third-generation Indians get into their stride, they will become a powerful force in UK society. The blend of eastern cultural heritage and values combined with a top UK education makes them formidable champions. A report from the Joseph Rowntree Foundation forecasts that by 2022 the Indian ethnic group will come to be concentrated in the UK's most highly paid occupations[9].

4. Population of England & Wales, gov.uk, 1 August 2018 [www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/national-and-regional-populations/population-of-england-and-wales/latest#by-ethnicity]
5. Race in the workplace, The McGregor-Smith Review, Baroness-Smith CBE [assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/594336/race-in-workplace-mcgregor-smith-review.pdf]
6. Based on last available year financials filed by the companies.
7. 15 interesting facts about Lakshmi Niwas Mittal, India TV news, 2014 [www.indiatvnews.com/business/india/15-interesting-facts-about-lakshmi-niwas-mittal-6416.html]
8. Lord Noon obituary, The Guardian, 2015 [www.theguardian.com/business/2015/oct/28/lord-noon]
9. Projecting employment by ethnic group to 2022, Joseph Rowntree Foundation, 30 Mar 2015, [www.jrf.org.uk/report/projecting-employment-ethnic-group-2022]

Beyond business

The energy and talents of the Indian diaspora in the UK are felt far beyond the world of business. Their impact extends to the fields of science, the arts, sports and politics, while the diaspora's achievements and contribution to public life are reflected in the honours lists each year.

Academia and medicine

The UK's most prestigious academic institutions all count experts of Indian heritage among their highest-ranking academic staff. One of the best known is Kumar Bhattacharya, Baron Bhattacharya (1940–2019). Born in Bangalore, the Britain-Indian engineer was Professor of Manufacturing Systems at the University of Warwick and founded the Warwick Manufacturing Group. In 2004, he was made a Life Peer and became a member of the House of Lords[10].

Another high-profile name is Sir Venkatraman Ramakrishnan. The India-born American and British structural biologist was awarded the 2009 Nobel Prize in Chemistry and is currently the President of the Royal Society[11].

Arts and media

British Indian actors, broadcasters, comedians and musicians are increasingly visible in the UK's media. Some of the best known include journalists Krishnan Guru-Murthy and Naga Munchetty, comedian Nish Kumar, actor and broadcaster Sanjeev Bhaskar, and writer and actress Meera Syal.

The Bombay-born sculptor Sir Anish Kapoor has had a physical as well as a cultural impact on the UK landscape. His creation, the ArcelorMittal Orbit at the Queen Elizabeth Olympic Park in London, is the largest piece of public art in the UK[12]. He was also the first living artist to be given a solo show at the Royal Academy of Arts in London[13].

Meanwhile, in film, Gurinder Chadha has become part of the British cultural landscape with films such as *Bhaji on the Beach*, *Bend It Like Beckham* and *Viceroy's House*[14].

Actor Dev Patel, born in London to Indian parents, has captured audiences' attention in films such as the Oscar-nominated Slumdog Millionaire and, most recently, in the title role in The Personal History of David Copperfield, which leads the nominations for the 2019 British Independent Film Awards (BIFA)[15].

Politics

The Indian diaspora has been involved in politics for many years. The House of Commons currently boasts 15 members of Indian origin, and there are 23 peers of Indian origin in the House of Lords[16].

The first Member of Parliament of Indian origin was Dadabhai Naoroji, who sat as a Liberal Democrat from 1892–95. Over the years many have followed in his footsteps. This year, Priti Patel made history when she became the first woman of Indian descent to be appointed as Home Secretary. Born in London to a Ugandan-Indian family, she has been an MP since 2010 and was International Development Secretary from 2016–17[17]. Some of the new names to watch in this space include Rishi Sunak, Chief Secretary to the Treasury and Alok Sharma, Secretary of State for International Development.

One of the other big names of Indian origin in the UK political arena is Meghnad Desai, Baron Desai. Born in Gujarat, and an economist and labour politician, he was the first-ever non-UK-born candidate to stand (albeit unsuccessfully) for the position of Lord Speaker in the House of Lords[18]. Lord Narendra Patel is another peer of Indian origin, who was knighted in 1997 and was made a life peer in 1999 for his contribution to the medical profession in the UK. He was subsequently appointed to the Order of the Thistle in 2009, the highest chivalric honour in Scotland[19]. Baroness Usha Prashar is a familiar Indian diaspora name. She also has the unique distinction of being the first chairperson of the Judicial Appointments Commission upon its creation in 2006[20].

10. Professor Lord Kumar Bhattacharyya Kt, CBE, FRS, FREng, Regius Professor of Manufacturing, WMG The University of Warwick [www.warwick.ac.uk/fac/sci/wmg/about/chairman/obituary/]
11. The Nobel Prize in Chemistry 2009, The Nobel Prize, 2009 [www.nobelprize.org/prizes/chemistry/2009/summary/]
12. Anish Kapoor's Orbit tower: the mother of all helter-skelters, The Guardian, 2012 [www.theguardian.com/artanddesign/2012/may/06/olympics-orbit-anish-kapoor?INTCMP=ILCNETTXT3487]
13. Anish Kapoor, Encyclopaedia Britannica [www.britannica.com/biography/Anish-Kapoor]
14. Chadha, Gurinder (1960 -), BFI Screen Online [www.screenonline.org.uk/people/id/502103/]
15. BFI, The Personal History of David Copperfield leads nominations for British Independent Film Awards 2019, 20 October 2019 [www.bfi.org.uk/news-opinion/news-bfi/features/bifa-nominations-2019]
16. UK Parliament, MPs and Lords
17. Rt Hon Priti Patel, parliament.uk, [www.parliament.uk/biographies/commons/priti-patel/4066]
18. Election of speaker of the House of Lords: result, House of Lords, 2011 [www.parliament.uk/business/lords/lord-speaker/the-role-of-lord-speaker/election-of-the-speaker-of-the-house-of-lords-2011/]
19. UK Parliament, MPs and Lords [https://members.parliament.uk/member/2443/career]
20. UK Parliament, MPs and Lords [https://members.parliament.uk/member/2476/career]

Cuisine

Indian cuisine has changed the UK's eating habits. One survey finds that an Indian take-away is three times as popular as the UK's traditional take-away, fish and chips[21], and 3 million Britons say they prepare an Indian-inspired recipe at least once a week. Chicken Tikka Masala, which is actually a British creation, consistently ranks high in polls of the UK's favourite meals.

The first Indian restaurant in the UK was founded by an East India Company captain, Sake Dean Mahomet, in 1810. More recently, modern Indian chefs like Vivek Singh, Atul Kochar (the first Indian chef to receive a Michelin Star) and Cyrus Todiwala have contributed to popularising Indian cuisine[22].

As a result, there are now thousands of Indian restaurants across the UK. Six hold a Michelin Star[23], including Veeraswamy, on Regent Street in London. The world-famous restaurant, which opened in 1925, has been operating for longer than any other Indian restaurant in the UK. More recently, the UK has developed a taste for Indian street food, with restaurant chains like Dishoom and Masala Zone becoming increasingly popular.

Sports

Along with curry, commonwealth, commerce and cinema, cricket is another important 'C' that connects India and the UK. Right from the days of Ranjitsinhji and Duleepsinhji in the pre-independence era, the India-UK connect around cricket has been very strong. Over the years, this relationship has been further strengthened by the likes of ex-Indian wicketkeeper, Farroukh Engineer, spinner Dilip Doshi and others who made the UK their home after retirement. More recently, Monty Panesar, Ravi Bopara, and England captain Nasser Hussain have been great examples of the contribution of Indian-origin players to the gentleman's game in the UK.

Rajiv Ouseph, England's number one men's singles badminton player, is another leading sportsman of Indian heritage. He won the English national badminton title seven years in a row, from 2008–14. In 2017, he became the first English player in 27 years to become European singles champion. His other major achievements include reaching the quarter-finals at the Rio Olympic Games and winning silver medals at the 2010 and 2014 Commonwealth Games.

Public service

People of Indian heritage currently make up 2.5% of the population of England and Wales[24], yet in the Queen's Birthday Honours list 2019[25], almost four per cent of recipients were of Indian heritage. They include two new Commanders of the Order of the British Empire (CBE): Bharat Kumar Hansraj Shah for services to business, economic growth and exporting in the independent pharmacy sector as well as for philanthropic work, and Samir Shah, chief executive and creative director of Juniper Television, for services to television and to heritage[26].

The contribution of the Indian diaspora to public institutions such as the NHS is indispensable. While there are no official figures available for healthcare workers of Indian origin in the NHS, the British Association of Physicians of Indian Origin (BAPIO), a voluntary organisation for doctors of Indian origin in the UK, estimates that there are more than 50,000 medical professionals of Indian origin (including both Indian and British citizens) serving the NHS in the UK.

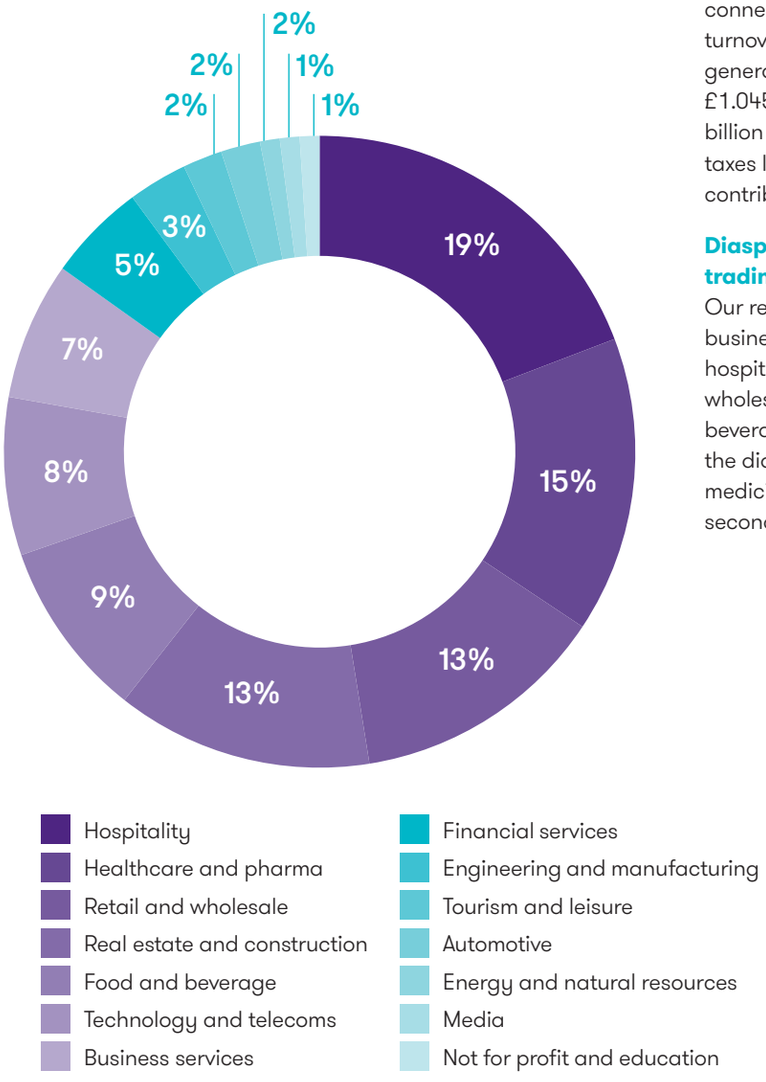
21. What is the UK's favourite cuisine?, Paymentsense, 24 February 2017 [www.paymentsense.com/uk/blog/what-is-the-uks-favourite-cuisine/]
22. Indians in the UK, Transfer Go, [www.transfergo.com/en/blog/indians-in-the-uk/]
23. Michelin Guide [www.guide.michelin.com/gb/en/restaurants/1-star-michelin/Indian].
24. Population of England and Wales, gov.uk, 2018 [www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/national-and-regional-populations/population-of-england-and-wales/latest]
25. Honours Recipients, Gov.uk, 29 August 2019, [www.ethnicity-facts-figures.service.gov.uk/culture-and-community/civic-participation/honours-recipients/latest]
26. Queen's Birthday Honours List recognises 30 Indian-origin achievers, Asian Voice, 2019 [www.asian-voice.com/News/UK/London/Queen%27s-Birthday-Honours-List-recognises-30-Indian-origin-achievers]



Our key findings

The 654 Indian diaspora-owned businesses we researched report combined annual turnover of £36.84 billion.

Chart 1. Sector breakdown



Our research identifies 654 UK companies with a connection to the Indian diaspora[27] that have an annual turnover in excess of £100,000. Together, these companies generate annual turnover of £36.84 billion. They pay £1.045 billion in corporation tax and invest close to £1.98 billion in the form of capital expenditure[28]. If indirect taxes like VAT and employment tax are included, their contribution to the UK Exchequer is even greater.

Diaspora entrepreneurs favour real estate, trading and medicine

Our research shows that the Indian diaspora-owned businesses are focused on five key sectors (see Chart 1): hospitality, healthcare and pharmaceuticals, retail and wholesale, real estate and construction and food and beverage. This focus reflects the natural inclinations of the diaspora community towards real estate, trading and medicine. We predict that over time, with the emergence of second and third generations, this focus may change.

27. See 'About our Research' for research criteria
28. Based on financial results filed by 30 September 2019. Where 2019 filing has not yet taken place, we have used 2018 and 2017 results.

Hospitality

Indian diaspora entrepreneurs have always shown an interest in the hospitality sector, in part due to its strong connection with the real estate sector. The two most notable Indian diaspora-owned companies in this sector are Edwardian Hotels, founded by Jasminder Singh, and Arora Hotels, founded by Surinder Arora. Both groups also have interests in real estate.

Jasminder Singh entered into the hotel industry in 1977 and went on to found Edwardian Hotels in 1979. Today, this has grown to a portfolio of 12 upscale and luxury hotels and is one of the largest privately owned hotel groups in the UK.

Surinder Arora founded Arora Hotels in 1999 and this has since become the largest hotel company at Heathrow and Gatwick airports. The business has evolved from being a traditional hotel-bedroom provider to a diversified large-scale conference player in the marketplace.

A newer entrant in this segment is the Dominvs Group. This is a hospitality and real estate company with around £750 million of assets under management. It was founded in 2012 by Sukhpal Singh Ahluwalia after he sold his car parts business which had 300 locations and employed 12,000 people. The business sold for nearly £300 million in 2011.

Healthcare and pharmaceuticals

The interest of the Indian diaspora in the UK healthcare sector has been primarily around care homes and private nursing which – again – have a strong real estate angle. Some of the leading players in this sector include HC-One, TLC Group and Advinia Healthcare.

Alongside care homes, the pharmaceuticals sector also remains a popular business area for the Indian diaspora, spanning retail, wholesale and the manufacture of medicines. Day Lewis, Avicenna Healthcare, B&S Group and Chemilines are examples of retailing and wholesaling businesses in this sector, while Bristol Pharmaceuticals has done well in manufacturing. These businesses have stemmed from many Indians' interest in becoming pharmacists.

Vitabiotics is one of the best-known brands in this space, having created a niche for itself in the vitamins and supplements market. The business was founded by Kartar Lalvani in 1971 and is today managed by his son, Tej Lalvani, who is best known as one of the dragons on the BBC television series, Dragons' Den.

Another well-known Indian diaspora name in the healthcare sector is Dr Chai Patel, who founded HC-One, a British healthcare management company that is now Britain's largest care home operator. HC-One operates 329 care homes throughout the UK, specialising in dementia, nursing, residential and specialist care for elderly people. As chief executive of Westminster Health Care plc, the largest publicly quoted healthcare services group in the UK, Dr Patel was instrumental in acquiring Priory Hospitals in 2000 and was subsequently chief executive of the Priory Group, the UK's largest independent specialist mental health and education services group.

Real estate and construction

Real estate and construction is well represented as a sector on our list. This strong showing can be explained in part by Indians' love of property, with many Indians choosing to develop a property portfolio alongside their other business(es). Property is preferred by Indians as it is a tangible asset in the form of bricks and mortar which can be seen and touched.

Most of the Indian diaspora have quietly built up both residential and commercial property portfolios ranging from one or two properties to hundreds. It is not uncommon to hear of a retailer owning one or two retail or cash and carry outlets but having a property portfolio worth tens of millions. Dhamecha Foods is perhaps the largest and best-known example. It has a core business of nine cash and carry outlets with a turnover in excess of £750 million and a substantial property investment portfolio.

Other key players in this sector include B&S Properties, which holds a large residential and commercial property portfolio across the UK, and Vascroft Contractors, which specialises in property construction. Vascroft was established by the Vekaria brothers in the early seventies and has built a reputation for providing quality building services for owners of luxury hotels, upmarket restaurants and exclusive private homes.

Retail and wholesale

Indians have strong heritage in the trading arena and, as a result, many have focused on retail and wholesale. Prime examples of successful businesses in this sector are variety discounter B&M Retail, perfume wholesalers Shaneel & Per-Scent, and the fashion retailer, Boohoo.com.

Boohoo.com, one of the newer entrants in this sector, was founded by Mahmud Kamani and has been extremely successful. Its brands – boohoo, boohooMAN, PrettyLittleThing, Nasty Gal, MissPap, Karen Millen and Coast – target fashion-conscious 16–40-years-olds in the UK and internationally. A more established example in this segment is the Shaneel Group, established in 1986 by the Mehta family. It began as a business specialising in the supply and distribution of branded fine fragrance to independent retailers, but with time, evolved into supplying goods to retail giants.

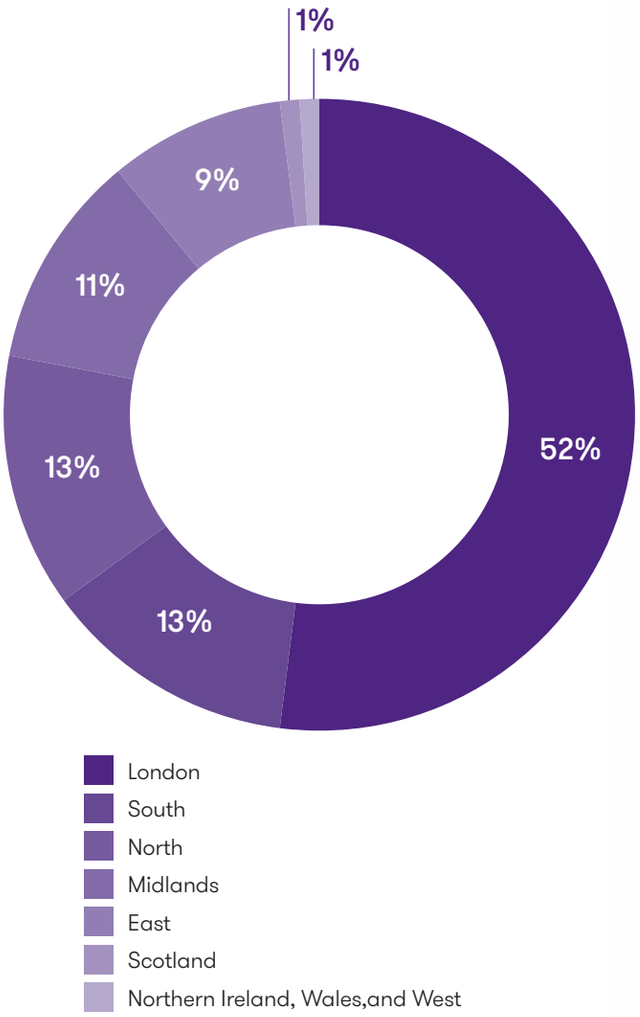
Food and beverage

The migration of the Indian diaspora to the UK and the popularity of Indian cuisine has created a need for regular supplies of Indian food and ingredients. This has given rise to another key sector of interest to the Indian diaspora, the food and beverage sector. Companies in this sector account for 9% of our list of companies.

Notable amongst the pioneers in this sector was Noon Foods, which supplied ready meals to the multiples, while ingredients players included East End Foods, TRS and Tilda Rice. Interestingly, following their success, all four have now been sold by their founders.

In more recent times, the Indian diaspora has ventured into the mainstream food and beverage space. Examples include New Demipower Ltd, which is the largest owner of KFC franchises in England with more than 125 outlets, and Burts Snacks, a niche crisp manufacturer. New Demipower was founded by Amir Janmohamed in 1983. Now led by his son Alim Janmohamed, the business has become a key player in the fast food franchise segment, employing over 2,500 people.

Chart 2. Regional breakdown



Geographic breakdown reflects UK demographics

Of the 1.5 million people of Indian descent living in the UK, over half a million live in London. Similarly, London-based businesses dominate the list of the 654 companies we researched, accounting for 52% of the total (see Chart 2). There are also significant clusters of diaspora-owned businesses in the Midlands, the South, the North and the East.

Along with London, the other major cities where the Indian diaspora owned companies are concentrated includes Manchester, Birmingham, Leicester and Leeds.

One-third of large diaspora-owned companies have women directors

Of the 654 companies we researched, close to 35% have one or more women directors on their board. This compares favourably to the findings of our India meets Britain Tracker 2019 which shows that just 24% of India-owned subsidiaries have women on their board. We expect this percentage of women directors on the board of Indian diaspora-owned companies in the UK to grow as the next generation takes charge. Examples of successful women entrepreneurs and directors from the Indian diaspora include Leena Malde of Wealmoor Ltd, Zeenat Harnal of Bombay Halwa Limited and Rupa Patel of Day Lewis Pharmacy who are involved in running their family businesses.

Combined turnover of Indian companies in the UK is around £85 billion

The economic contribution of the Indian diaspora-owned companies researched, when combined with that of the Indian parent-owned companies in the UK covered in the our India meets Britain Tracker report 2019, paints an even stronger picture of the growing relationship between the two countries. A combined turnover of around £85 billion, over £1.7 billion paid in taxes and close to 280,000 people employed – these are significant numbers. We anticipate that these numbers are likely to grow even further as the bilateral relationship develops.


INDIA
INDIA
INDIA
ENGLAND
NatWest

Biggest Indian diaspora employers

Major employers among Indian diaspora-owned businesses, those who employ over 1,000 people, generate over 140,000[30] jobs.

Out of the 654 companies researched, 23 businesses generate 80% of the total jobs provided by the Indian diaspora companies in the UK (see Table 1). Together, this group provides close to 140,000 jobs.

Three of these companies employ over 20,000 people each. The largest employer, with almost 26,500 employees, is B&M Retail Ltd. Second largest, with over 25,000 employees, is Vedanta Resources Ltd, a global metals and mining company with its headquarters in London. Boparan Holdco Ltd employs almost 22,000. Of the top employers, those in the hospitality and the food and beverage sectors account for nearly a quarter of the total employment.

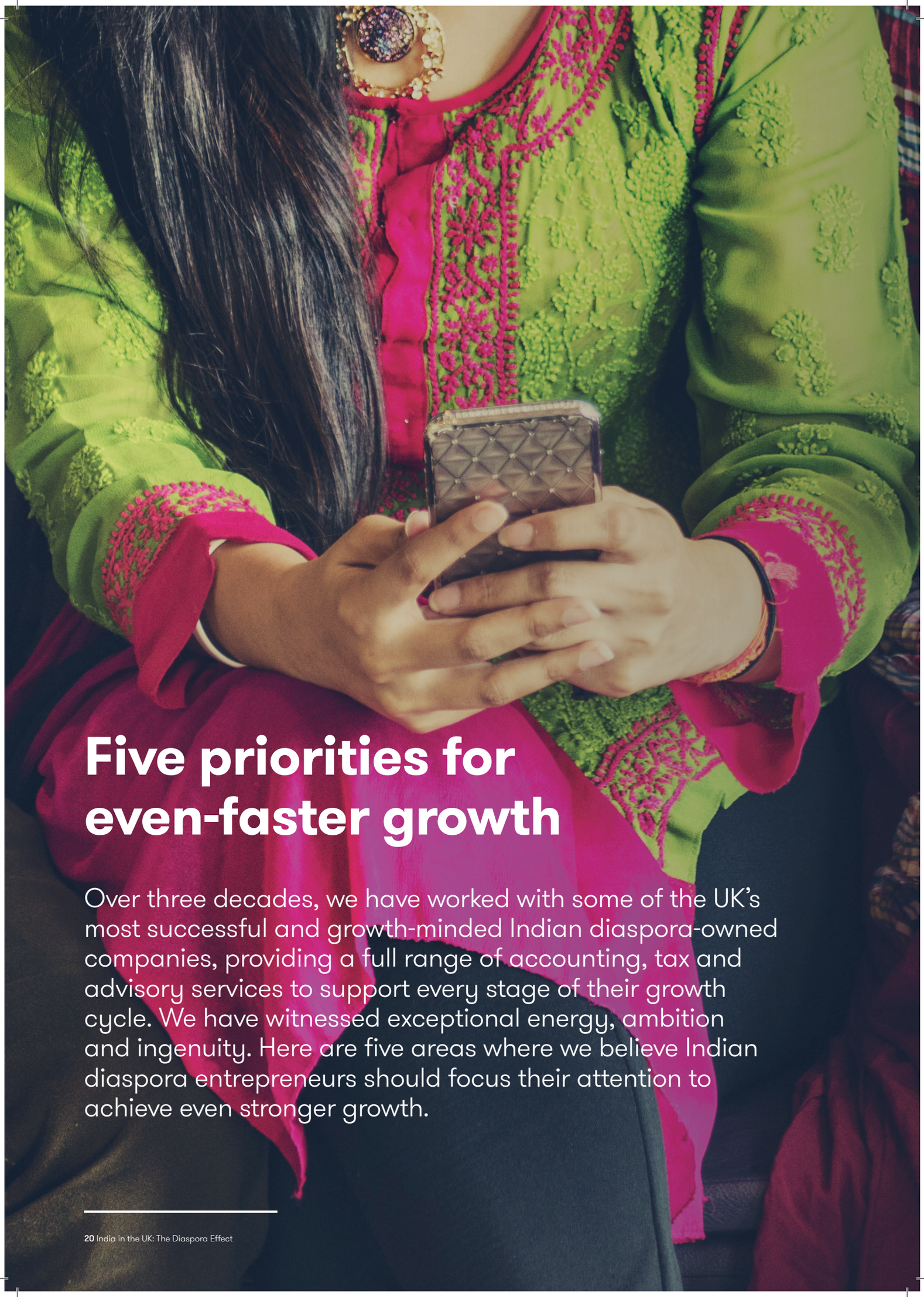
Top five Indian diaspora employees

B&M Retail Ltd	26,496
Vedanta Resources Ltd	25,083
Boparan Holdco Ltd	21,949
Hinduja Automotive Ltd	19,601
HC-One Ltd	10,949

30. This number includes employees in subsidiaries who may be employed abroad.

Table 1. Biggest Indian diaspora employees

Company	Sector	Employee count
B&M Retail Ltd	Retail and wholesale	26,496
Vedanta Resources Ltd	Energy and natural resources	25,083
Boparan Holdco Ltd	Food and beverage	21,949
Hinduja Automotive Ltd	Automotive	19,601
HC-One Ltd	Healthcare	10,949
Crown Crest Group Ltd	Retail and wholesale	5,725
Heron Foods Ltd	Food and beverage	3,714
New Demipower Ltd	Food and beverage	2,683
Day Lewis plc	Pharmaceuticals and chemicals	2,501
Edwardian Group Ltd	Hospitality	2,343
Court Cavendish Ltd	Business services	2,269
Arora Holdings Ltd	Hospitality	1,936
Boohoo.com UK Ltd	Retail and wholesale	1,914
Azumi Ltd	Hospitality	1,869
Soul Foods Ltd	Food and beverage	1,740
Lenlyn Holdings Ltd	Financial services	1,684
Gorgemead Ltd	Pharmaceuticals and chemicals	1,639
SME Group plc	Hospitality	1,620
The Station Hotel (Newcastle) Ltd	Hospitality	1,534
The Holmes Care Group Ltd	Healthcare	1,192
Fortel Construction Group Ltd	Business services	1,190
Soul Coffee House Ltd	Food and beverages	1,103
Advinia Health Care Ltd	Healthcare	1,017



Five priorities for even-faster growth

Over three decades, we have worked with some of the UK's most successful and growth-minded Indian diaspora-owned companies, providing a full range of accounting, tax and advisory services to support every stage of their growth cycle. We have witnessed exceptional energy, ambition and ingenuity. Here are five areas where we believe Indian diaspora entrepreneurs should focus their attention to achieve even stronger growth.



1. Improve strategic planning

Many of the Indian diaspora-owned businesses we work with have proved themselves to be brilliant at spotting opportunities and moving confidently to seize them. Better strategic planning would complement this opportunistic quality. It would help companies build more resilient businesses, with stronger foundations to underpin riskier, potentially high-yielding investments.

2. Pay more attention to succession planning

Many Indian diaspora entrepreneurs want to pass their businesses on to the next generation, but few pay adequate attention to succession planning to ensure this outcome. Selling out to the current management team is amongst the options, but planning needs to begin in good time. Two recent examples demonstrate the importance of effective succession planning. The owners of East End Foods and TRS recently sold to private equity in the absence of family succession.

3. Give more focus to employee development

Attracting, developing and retaining talent is key to growing any successful business. Our experience is that Indian diaspora companies do not give enough attention on employee motivation, development and retention. They should give more focus to these areas. In particular, they should make better use of the apprenticeship levy to fund training as well as take advantage of management ownership plans.

4. Increase use of third-party capital

Indian diaspora-owned businesses have traditionally used bank debt or family lending to fund growth, but this can limit the amounts available. Accessing third-party capital opens up many more options. Many younger entrepreneurs are already doing this. More should follow their lead.

5. Strengthen post-acquisition integration

Our experience has shown that many Indian diaspora-owned businesses are highly acquisitive. However, more attention on integrating acquisitions effectively with existing operations will help owners reap the full financial benefits.

Conclusion: Writing the next chapter

Evidence of the diaspora's energy and entrepreneurial spirit is all round and there is no suggestion that its economic power will diminish in the future.

In fact, if anything, it will grow as a new generation of Indian diaspora entrepreneurs emerges, combining the eastern heritage and strengths of their forefathers together with today's higher levels of education. Yet a report from the UK's Foreign Affairs Committee in 2019[31] found the UK needs to do more to nurture the UK-India relationship. It reported that, as the UK prepares to look beyond the EU for trade opportunities, there's a real danger the UK government is missing the opportunity to develop a strategy that reflects India's growing influence and power in the world.

It is also important to recognise the positive impact of immigration on UK society. To this end, it is encouraging to see proposals that the UK's future immigration policy may be based on a points-based system that takes into consideration immigrants' skills and the economic and societal contribution they can make.

As the Indian diaspora in the UK continues to drive business and help shape the nation's economic, social, political, academic and cultural life, it's time for the UK to embrace India as a powerful future partner. Now is the moment for "the living bridge" of Indian diaspora to truly make this shared and prosperous future a reality.

31. Missed opportunities: The UK's relationship with India, Commons Select Committee, 24 June 2019 [www.parliament.uk/business/committees/committees-a-z/commons-select/foreign-affairs-committee/news-parliament-2017/gobal-britain-and-india-report-published-17-19/]

About Grant Thornton and FICCI

Grant Thornton

We're a business adviser that helps organisations navigate today's volatile markets, has a strong focus on quality and delivers insights to succeed.

We help businesses to achieve their objectives. We work with the public sector to build thriving communities. And we work with regulators and financial institutions to build trust and integrity in markets.

We understand what you need today and what you'll need tomorrow. And we tailor our service to get you there.

Our South Asia group works closely with Indian diaspora entrepreneurs and businesses in the India-UK corridor, and has done so for nearly three decades.

Our deep understanding of Asian culture means we empathise with customs and attitudes in business and social contexts. Our Indian diaspora clients include many of those featured in the report. Notable examples include Cobra Beer, Euro Car parts, New Demipower and Vitabiotics. Over the years we have helped them and others with growth plans including acquisitions advice but also manage their risks and protect their assets through various assurance and compliance services.

In the UK we're led by 190 partners and over 4,500 people.

We can call on a global network of some 50,000 people in over 135 countries.

Our shared enterprise model in the UK allows every one of us gives their all towards your future success.

For further information about this report, contact:



Chandru Iyer
Head of Business Development
South Asia Group
Grant Thornton UK LLP
T +44 (0)20 7865 2577
E chandru.k.Iyer@uk.gt.com

FICCI

Established in 1927, FICCI is the largest and oldest apex business organisation in India. Its history is closely interwoven with India's struggle for independence, its industrialisation, and its emergence as one of the most rapidly growing global economies.

A non-government, not for profit organisation, FICCI is the voice of India's business and industry.

From influencing policy to encouraging debate, engaging with policy makers and civil society, FICCI articulates the views and concerns of industry. It serves its members from the Indian private and public corporate sectors and multinational companies, drawing its strength from diverse regional chambers of commerce and industry across states, reaching out to over 250,000 companies.

FICCI provides a platform for networking and consensus building within and across sectors and is the first port of call for Indian industry, policy makers and the international business community.



Param Shah
Director
FICCI – UK
T +44 (0) 20 7917 6810
E param.shah@ficci.com



grantthornton.co.uk

© 2020 Grant Thornton UK LLP. All rights reserved.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions. This publication has been prepared only as a guide. No responsibility can be accepted by us for loss occasioned to any person acting or refraining from acting as a result of any material in this publication.

DS1303