

The Future of IT in India: Origins and the way ahead

S.D. Shibulal,

Co-founder, Member of the Board & Chief Operating Officer,
Infosys Technologies Ltd.

Key Events

Origins

1951: 1st IIT
1961: 1st IIM
1951: IBM
1967: TCS

Infosys
1981

IBM PCs hit the market
Indian players enter the hardware market
GE Outsources to India
Early 80s

Multinationals asked to Exit India
Few MNCs form alliances with Indian service providers
1977

1st Software Export Zone, SEEPZ, Mumbai
1973

IBM separates software from hardware
Early 70s

Texas Instruments
enters India
1985

IBM
re-enters
India
1992

Microsoft, Oracle
& other MNCs
enter India
Late 90s

500 million mobile
subscribers
52 million internet
users
2010

Prohibits

Licence Raj
Hostile govt. policies, high import tariffs
Until 1990

Enablers

Economic Reforms
STPI
1991

Telecom Reforms

1999

Growth-conducive environment

High speed, low-cost communication
infrastructure, Venture Capitalists
Mid-90s Onwards

1970 - 1980

1981 - 1990

1991 - 2000

2001 - 2010

Value Chain

Enterprises of tomorrow
>2010 ☀

Consulting / Business
Transformation

2000s ☀

Managed Services / R&D

90s ☀

Project mgmt.

Late 80s ☀

Offshore
programming

Early 80s ☀

Export of
programmers

70s ☀

Electronic Data
Processing
<1970 ☀

Enablers

Y2K

☀ Late 90s

Cloud + Consulting

☀ >2010

Mainframes –
Minicomputers
<1970 ☀

Desktops
☀ Early 80s

☀ 1991: 300 Engg. Colleges 2010: 1600 Engg. colleges

☀ Mid-1990s onwards Internet + Telecom revolution

1970 - 1980

1981 - 1990

1991 - 2000

2001 - 2010

>2010

Future

Areas where IT can play a dominant role in India in the future:

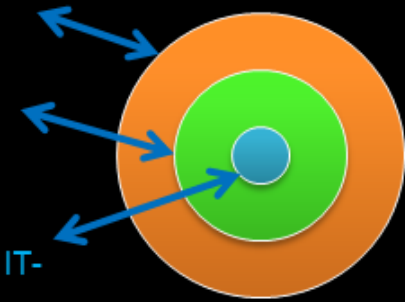
- Healthcare: 50% Indians do not have access to primary healthcare
- Financial Inclusion: 80% households / 200 million families do not have access to bank accounts
- Education: 3x shortage of teachers
- Public Services: 40%-50% of public distribution does not reach targeted groups
- Other areas: E-governance, Agriculture

Global Sourcing Market:
\$1.5 trillion

Indian IT-ITES Market:
\$225 billion

Indian Domestic IT-ITES Market:
\$50 billion

2020



Global Sourcing Market:
\$500 billion

Indian IT-ITES Market:
\$73.1 billion
2.2 million direct employees

2010



Indian IT-ITES Market:
\$150 million

1991

Indian IT-ITES Market:
\$31.4 billion

2006



1970 - 1980

1981 - 1990

1991 - 2000

2001 - 2010

2020

Thank You

“The contents of this document are proprietary and confidential to Infosys Technologies Ltd. and may not be disclosed in whole or in part at any time, to any third party without the prior written consent of Infosys Technologies Ltd.”

“© 2006 Infosys Technologies Ltd. All rights reserved. Copyright in the whole and any part of this document belongs to Infosys Technologies Ltd. This work may not be used, sold, transferred, adapted, abridged, copied or reproduced in whole or in part, in any manner or form, or in any media, without the prior written consent of Infosys Technologies Ltd.”