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

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

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

Prohibits
Licence Raj
Hostile gov't. policies, high import tariffs
Until 1990

Enablers
Economic Reforms 1991
STPI

Telecom Reforms
1999
High speed, low-cost communication infrastructure, Venture Capitalists
Mid-90s Onwards

Growth-conducive environment

1970 - 1980
1981 - 1990
1991 - 2000
2001 - 2010
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:
- 2020: $1.5 trillion

Indian IT-ITES Market:
- 2020: $225 billion
- 2010: $50 billion
- 2006: $31.4 billion
- 1991: $150 million

Indian Domestic IT-ITES Market:
- 2020: $50 billion
Thank You

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