

# IT & BPM



# Industry – Information Technology

India is emerging as the hub for “Digital Skills”. The country spends USD 1.6 bn annually on training workforce in the sector. The sector is the largest employer within the private sector, employing 3.9 mn people. India is transforming into a digital economy with over 465 mn internet subscribers; only second to China.

Indian IT industry has more than 16,000 firms, of which over 1,000 are large firms with over 50 delivery locations in India. The country's cost competitiveness in providing IT services, which is approximately 3-4 times more cost-effective than the US, continues to be its unique selling proposition in the global sourcing market.

The Indian Information Technology and Business Process Management (IT and BPM) sector's revenue is estimated to reach USD 350 bn by 2025.

100% FDI is permitted in B2B E-commerce.

for further details, please refer [FDI Policy](#)

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# Contribution in Indian Economy

GDP  
contribution  
(2017-18)  
~ 8%

Share in  
global  
outsourcing  
market size -  
**56%**

E-commerce  
growth -  
19%

Share in  
Indian  
services  
export - **45%**

# Highlights



Largest market share in global services sourcing industry



Second highest number of internet subscribers in the world



Third largest tech startup hub of the world

# Industry Scenario

## **IT BPM's exports have doubled in the last 6 years.**

India is the leading off-shoring destination for IT companies in the world. The IT and BPM sector is the largest contributor to the total exports of the country. IT and BPM industry's revenues stood at USD 154 bn in 2016-17 compared to USD 143 bn in 2015-16. The total revenue of USD 154 bn in 2016-17 comprised of USD 116 bn in exports and close to USD 38 bn in domestic share.

The domestic market is catered by hardware segment and IT services, which contributed USD 14 bn and USD 24 bn in 2016-17, respectively.

The exports of USD 116 bn in 2016-17 is further segmented as:

Exports of USD 117 bn is further segmented as:

- IT services accounting for 56.4% of total IT exports
- BPM accounting for 22.2% share
- Software products and engineering services occupying 21.3% share

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# Growth Drivers

**Skill development and R&D**

USD 1.6 bn is spent annually on training workforce and growing R&D

**The National Optical Fibre Network (NOFN)**

Laid down in phases to connect all 0.25 mn gram panchayats

**Digital India campaign**

A USD 20 bn Investment covering mobile connectivity across India

**Start-up revolution**

IoT, machine learning, artificial intelligence and healthcare

# Industry Trends



## **e-Governance**

E-health, e-education, e-ticketing

## **4G and 5G**

High data rates, low latency,  
high reliability and low energy consumption



## **Cloud Computation**

Allows offload data management, backend  
development and design

## **Molecular Communications**

Bio-nanomachines communicate to  
perform coordinated actions



## **Green Communications**

Environment friendly batteries, renewable  
energy sources & management of power systems

# Key Policies

**National Cyber Security Policy**

**National e-Governance Plan (NeGP)**

**National IT Policy**

**Software Technology Parks (STP) Scheme**

**Special Economic Zones (SEZs) Policy**

# Recent Investments

- Dec 10, 2018 - Japan's **Sansan** raises **\$ 26.43 mn** to aid India growth
- Nov 29, 2018 - **Mapletree Investment** buys Chennai IT park for **\$ 333.1 mn**
- Nov 26, 2018 - India **cloud sector** to boast **1 mn** jobs by 2022
- Nov 09, 2018 - **Lulu Group** will invest **INR 2,400 crore** to construct 50 lakh sq ft of IT space in Kerala.
- Mar 25, 2018 - **BSNL** to invest **\$ 627.6 mn** for network expansion in 2018-19
- Mar 17, 2018 - **Tata Comm** gets ready for public utilities play, will invest **\$ 94.9 mn**

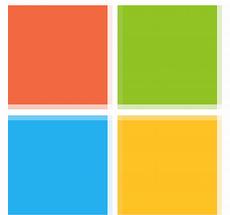
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# Major Investors

 **accenture**

 **Capgemini**

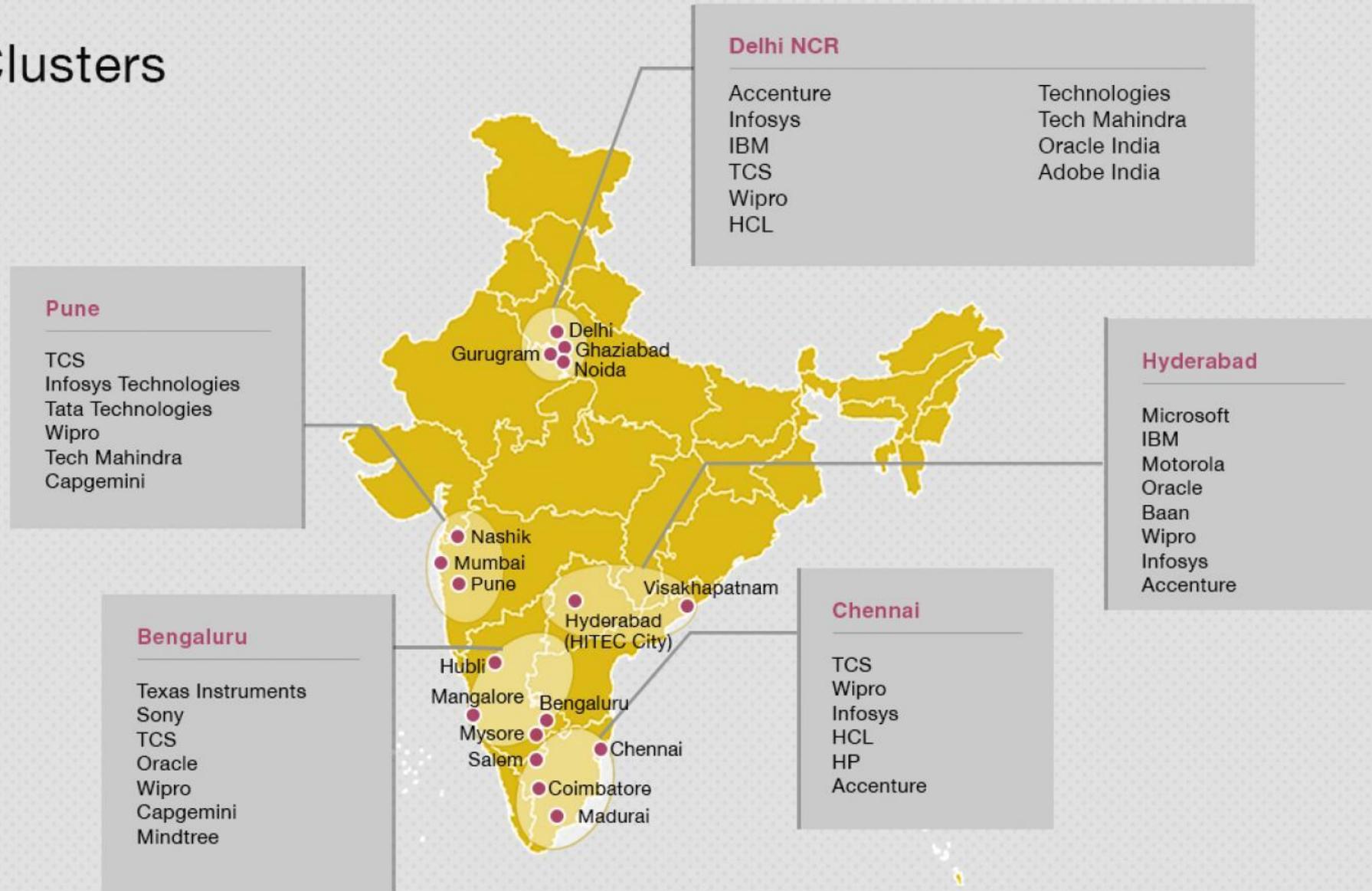


 **Microsoft**

**IBM**<sup>®</sup>

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# IT BPM Clusters



# Software Parks



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