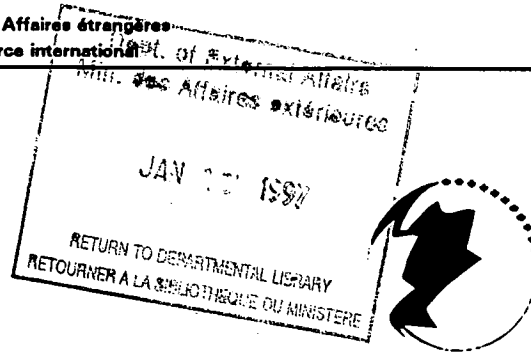


MARKET REPORT

Information Technologies

India



Team Canada - Équipe Canada

Market Opportunities Assessment

The Indian economy has a strong element of duality. In terms of industrial output and technological achievement it is, arguably, a giant. India has one of the world's largest pools of highly trained technical manpower. Its indigenous expertise extends into such advanced fields as nuclear energy, satellites, fighter airplanes and helicopters, software design, oceanography and deep sea oil drilling.

Since July 1991, the Government of India's (GOI) policy emphasis has increasingly been on encouraging the private sector. Foreign investment was encouraged and the ceiling on foreign equity holdings in India based companies was raised to 51%.

The Indian information technology (IT) industry has been growing steadily since the GOI announced its computer hardware and software policies in 1986. Since July 1991, the Indian IT industry has grown at an annual rate of 25-30%. Domestic industries manufacture a range of personal computers, note book computers, mini, supermini, large systems, and peripheral products. Local manufacturing of components is growing. However, Indian industry continues to import specialized computer systems, including mid-range and large systems. India makes some important peripherals such as hard disk drives, 3 1/2" floppy disks, tape drives, but also continues to import them. This trend is likely to continue for the next several years.

Most Promising Subsectors (estimated 1993 market size in US\$ millions)

Computers	650
Data acquisition systems	190
Peripheral	125
Add-ons	120

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