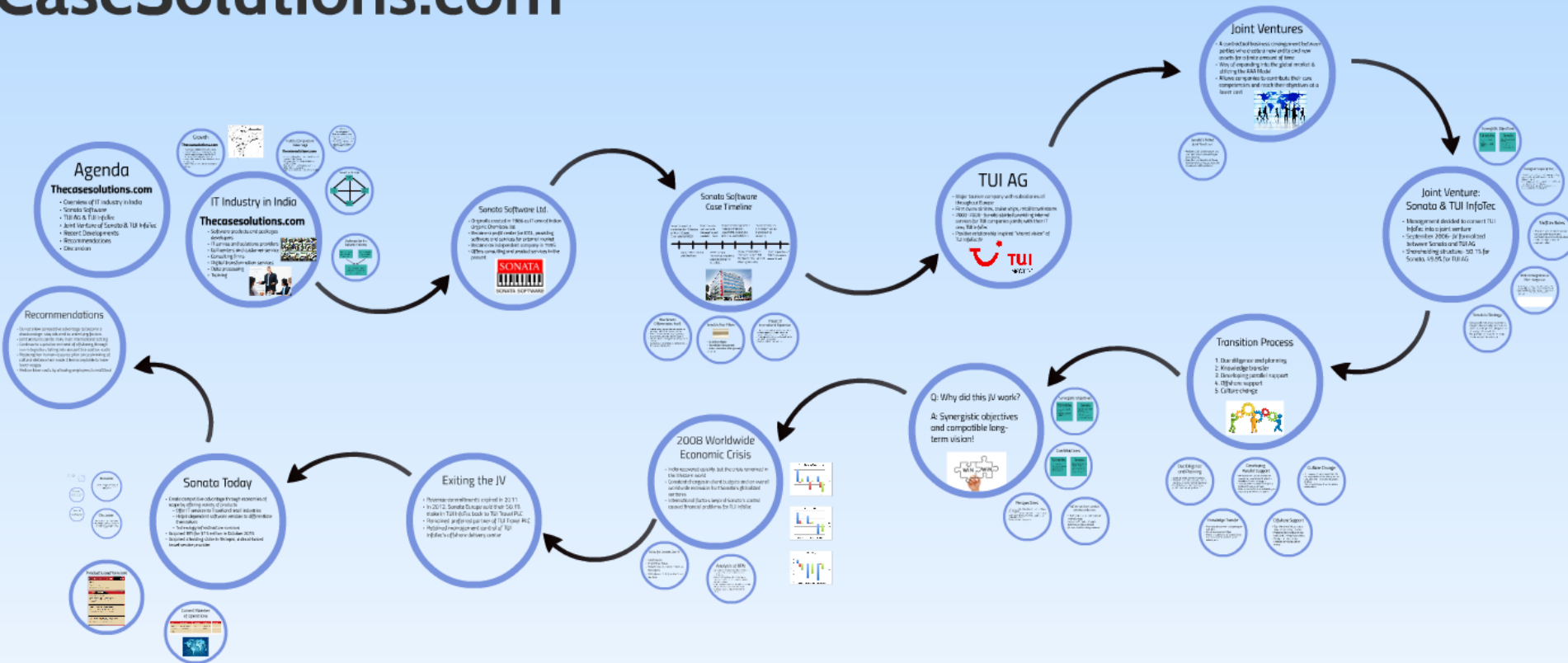
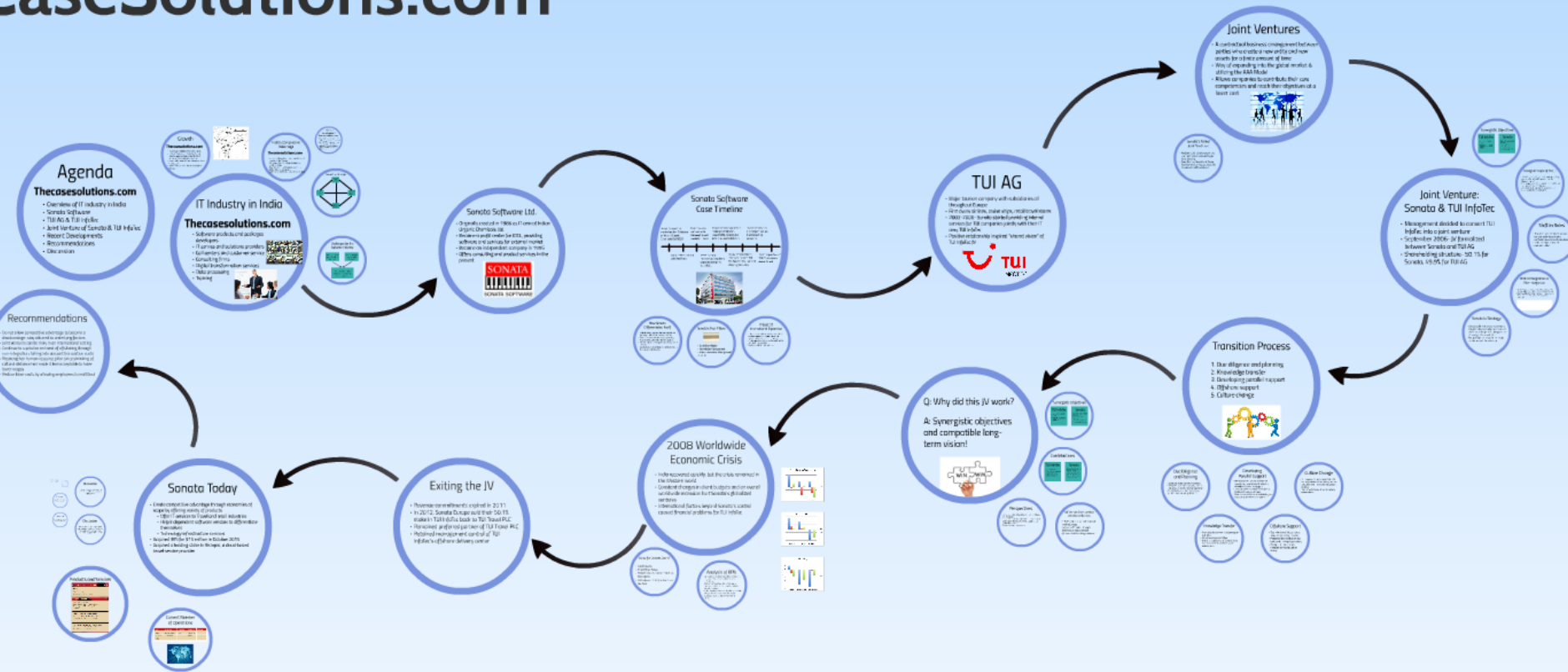


TheCaseSolutions.com



Netcare's International Expansion

TheCaseSolutions.com



Agenda

Thecasesolutions.com

- Overview of IT industry in India
- Sonata Software
- TUI AG & TUI InfoTec
- Joint Venture of Sonata & TUI InfoTec
- Recent Developments
- Recommendations
- Discussion

Thecasesolutions.com

- 1984- Liberalization
- 1990- Creation of export processing zones encouraged international IT education
- 1990s- Government encouraged international IT education
- 2000- Software exports revenue

IT Industry in India

Thecasesolutions.com

- Software products and packages developers
- IT service and solutions providers
- Call centers and customer service
- Consulting firms
- Digital transformation services
- Data processing
- Training



Competiti

Factor Conditions
Thecasesolutions.com

Ch
So

Gain tract
high value-
business

Growth

Thecasesolutions.com

- 1984- Liberalization of hardware policy
- 1990- Creation of technology parks and export processing zones simplified and encouraged international operations
- 1990s- Government invested resources into IT education
- 2000- Software was 58% of Indian export revenue

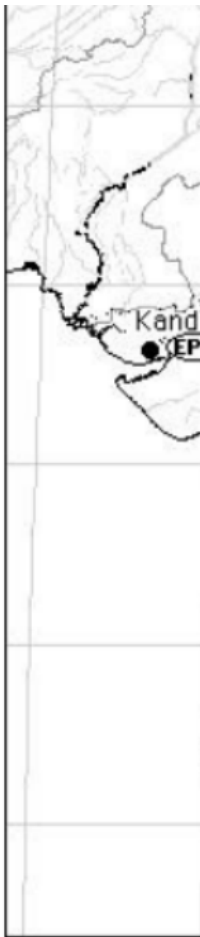


Figure 1 : The loca

India's Comparative Advantage

Thecasesolutions.com

- Government devoted resources towards technical education in the IT sector
- Large amount of skilled laborers drove down equilibrium wage
- Cheap labor attracted foreign interest and led to further industry development
- Cost of search and import < cost of actual project

TH

- Bo
- fo
- lo
- Of
- In
- Du
- as
- ce

Industry Development

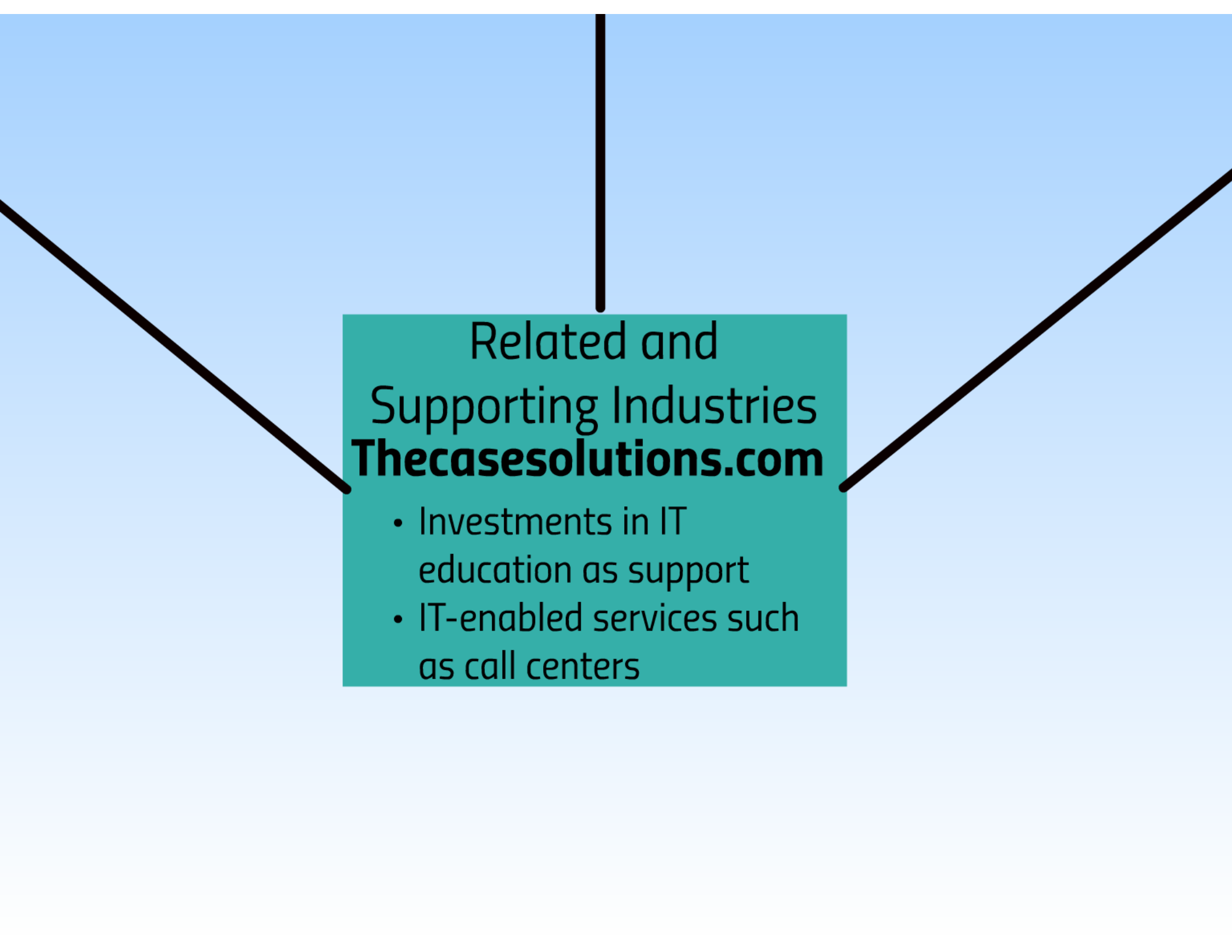
Thecasesolutions.com

- Body shopping- sending individual workers to foreign client locations while still paying them lower Indian wages
- Offshoring- service providers were based in India and worked remotely with clients
- Dual shore model- workers overseas on assignment supported by development centers in India

Factor Conditions

Thecasesolutions.com

- Surplus of skilled labor
- Tradition of scientific/technical institutions
- Factor disadvantage: telecom and business infrastructure



Related and Supporting Industries **Thecasesolutions.com**

- Investments in IT education as support
- IT-enabled services such as call centers