



OPINION

New India – the next global tech magnet

A group of UK tech leaders visited India, and may have seen the next world-leading tech ecosystem emerging



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In November, I flew to Bengaluru for the “Namaste, New India” [Global Tech Advocates](#) (GTA) Summit, part of a delegation of more than 30 tech leaders, investors and entrepreneurs travelling across India to uncover the fascinating ethos, culture and innovation behind the country’s thriving tech sector.

On the trip, it became clear that the coming years hold so much promise for [Indian tech](#) – in fact, many are referring to the next decade as India’s “techade”.

Visiting three cities in five days – Bengaluru, Hubli and Mumbai – the delegation had much to learn in little time. Immersing ourselves in the culture, delegates connected with like-minded investors and entrepreneurs and tried to get to the bottom of what is driving the success of Indian tech.

Innovation in India is booming at a grassroots level. While I was away, I gained a real sense of the desire to use tech as a tool for good, as well as the fruitful trade opportunities that India offers.

The belief that India will surpass the US, China and the UK to become the largest tech ecosystem in the world was palpable across the country – and tech leaders and entrepreneurs globally would do well to pay attention to the building blocks of India’s success.

State of play

[India has long been a credible and global technology powerhouse](#). However, the past few years have seen an “operating system upgrade” that is expected to supercharge the country’s economy.

The Open Network for Digital Commerce, established by the Department for Promotion of Industry and Internal Trade, and the Unified Payment Interface are revolutionising e-commerce in India. The country has gone from processing two billion transactions a month to two billion transactions a day.

Efforts from the government and business to comprehensively roll out the digital payments infrastructure, digital IDs, as well as low-cost Wi-Fi and internet services are democratising digital trade in India, setting solid foundations to enable the next big wave of growth.

Not only is the infrastructure taking shape, but India is home to a vast talent pool of digitally skilled and experienced entrepreneurs, particularly in key tech verticals, such as fintech, agritech, healthtech and climatetech.

Grassroots tech innovation and social transformation

The tech sector is not just being driven from India’s big metropolitan cities such as Mumbai, Chennai, Bengaluru or Hyderabad. Smaller cities and rural communities such as Hubli are at the heart of the technological revolution taking place. Hubli is a Tier 2 city. For background, Tier 1 cities are the most developed, and Tier 3 cities are still developing.

Our visit there was led by the Deshpande Foundation, a social enterprise focusing on skills development, entrepreneurship and startup support centred on the rural community of the Karnataka region. Children from these communities learn computer literacy and English language skills, preparing to become the next generation of tech entrepreneurs. It was encouraging to see that 80% of the academy were female.

The work of the Deshpande Foundation is a perfect example of how [India’s tech sector](#) is being built and fuelled from the grassroots up. The playing field is being levelled and previously hidden talent pools are being championed to create dynamic and promising cities with a powerful ethos of innovation for good.

This work is all the more important considering that India has one of the youngest populations in the world – there is so much opportunity and excitement for what this next generation has to offer.

What was also abundantly clear across the entire trip was the commitment to purpose-led innovation. There is a willingness to focus on solving key issues facing communities across India, ranging from crop protection to banking the unbanked.

A global magnet

India has a population of 1.3 billion, of which 627 million use the internet, and a large proportion of the population are unbanked. Given that these segments of the population are growing rapidly, they present a significant opportunity for businesses in the challenger banking, healthtech, insurtech and payment sectors.

Venture investment is also set for substantial growth, akin to that seen in 2007 and then 2013.

Also, according to a [recent report](#) from the Department for International Trade, India is the third-highest source (after the US and France) of foreign direct investment into the UK. With a thriving UK startup scene, this also represents an opportunity for the country to benefit from tech-driven Indian investment.

In 2022, trade between the UK and India was worth about [£29.6bn](#) – a small figure by comparison to UK-European Union commerce. The India-UK Free Trade Agreement – now expected in March 2023 – is a great opportunity to deepen this relationship and facilitate trade between the two nations.

Lessons from New India

The GTA Summit delegation saw first-hand that India is the incarnation of tech for good. The approach to innovation there is very different from in the West – there is a “moral quotient” that ensures leaders, entrepreneurs and innovators are problem-solvers and purpose-led.

Ani Kaprekar, co-founder of Tech India Advocates, aptly described India as “muddle, momentum and multitude, with a guiding philosophy of Vasudhaiva Kutumbakam – the world is one family”.

The delegation left India with a new outlook on the power of tech, inspired by India’s hospitality and way of doing business and excitement for the future of global collaboration in the industry. In the coming decade, India is on its way to become the world’s number one tech ecosystem.