

'With 4G, cloud to hit tipping point in India'

Global technology company IBM has been active in India, using it both as a market and as a pool of talent for global delivery. In an interview with Bibhu Ranjan Mishra, IBM India managing director **VANITHA NARAYANAN** says the company is positive about its growth prospects in India. Edited excerpts:



VANITHA NARAYANAN
IBM India's managing director

What drives your investment strategy in India?

We have always led what we believe is another strategic wave: Investments in services, service automation, centres of excellence and building analytics capabilities. Last year, we announced a relationship with Janalakshmi Financial Services. Here is a company that is working for the urban unbanked where the loan size is small and it is helping people to save \$1-2 a day. This requires mobile, digital and analytical capability. All the capabilities we have put in place in India have been around addressing an emerging set of opportunities. And now, a year later, there are 21 banking licences, small banks and payment banks.

How do you see the business sentiment in the country?

From the middle of last year to

now, everyone would say the sentiment, in terms of direction and policy, is positive. The direction is right, and the articulation of the vision, whether it is Digital India, smart cities, financial inclusion, Make in India, Skill India, cannot be faulted. The engagement at every level is positive, in terms of wanting to understand things, bringing best-in-class systems, and leapfrog. While the world may be worrying about moving from analogue to digital, we do not have to worry about that. We can be digital-first in many cases. So that allows very different business models. What everyone is waiting for is a quicker move from policy to execution.

Is the sentiment being translated into business?

You are not going to make cities smart overnight. Funding will determine how fast you can do it. Our smart city challenge looks at that. Rather than taking a little bit of money and spreading it everywhere, we are going to give money to the people who have the readiness and capability to execute.



What role is IBM playing in the smart cities programme?

We are focused on emergency management, solid and water management, and security. We are looking at all these areas and at how to bring our capabilities and assets, localise them, and put them in the cloud so that as the cities launch, they do not have to wait for a lot of these things.

Many of the projects the government has envisaged require corporate partners where the investment is upfront. Is IBM willing to undertake such projects?

The cloud replaces a lot of the

public-private structure. If I build applications and put them on the cloud, one can pay for and use them. So what used to be very elaborate joint ventures 10 years ago, will change today based on the investment we are making in common platforms.

You have been active in segments like telecom and financial services. How much scope do you see in 4G and next-generation banks?

Data is expected to drive demand in telecom now, and our investment around cognitive and analytics will play a big role. With the rolling out of

4G, the cloud will become a viable model for small and medium-sized enterprises (SMEs). Earlier, if you were an SME in a Tier-III city with no network access, the cloud did not make sense. With 4G going national in 18 months, cloud consumption will spurt. It will be a tipping point in India where SMEs will be able to buy cloud services.

Banks, especially payments banks, are at the intersection of mobile and banking. The kind of work we are doing with players like Janalakshmi Financial Services and telecom companies here in India gives us very good local insights.