

# TECHNOLOGY FACT SHEET



Canada-India  
Business Council  
Conseil de Commerce  
Canada-Inde

The Canada-India Business Council (C-IBC) is a not-for-profit specializing in providing high-touch and meaningful opportunities to key leaders, notable thinkers, and our membership in the bi-national space.

## QUICK FACTS

- India is the fastest-growing economy of size in the world, on pace to become the third-largest economy this decade, overtaking Japan. India has a population 11x larger than Japan with an average age of 20 years younger, at 28 years old.
- India has 17 of the 20 fastest-growing cities in the world.
- India aims to rank 50th in ease of doing business in the world. Between 2011-2016 India ranked between 130th–134th; then in 2017-100th, 2018-77th, and 2019-63rd.
- India is a consumption-based economy. As India's economy continues to grow, it will be to the benefit of the businesses in India. In the next five years, nearly one billion Indian people will move out of poverty and be able to afford goods and services and become consumers.
- India wants to transform into a global design and manufacturing hub. Canada has the resources to fulfill these requirements. We are complementary nations.
- India has become a sought-after trading partner as the world has a greater focus on the Indo-Pacific region. The US, UK, EU, and Australia are actively discussing trade agreements.
- Everything India offers — a large market, adherence to a rules-based order, a young population — is central to Canada's domestic needs and national interests.

## INDIA'S TECH SECTOR

### Recent Growth

- In 2022, India's technology sector reached \$227 billion in revenue with a 15.5% growth rate since 2021.
- India is the world's top exporter of IT and IT services including cloud computing and e-commerce (Times of India).
- India is the world's third largest start-up ecosystem. In 2021, there was over 2500 new tech start-ups in India and 42 new unicorns (NASSCOM).

### Current Scope

- India is the second largest digital market in the world with 658 million internet users in India in 2022. With over 53% of the population without internet access, the number of internet users in India is expected to rise to 850 million by 2030.
- India is the world's second largest telecom industry. From 2021-2022 the number of mobile phone connections in India increased by 34 million (3.1%) to reach 1.4 billion (Digital 2022: India).

### Projected Growth

- India's digital economy is poised to value \$1 trillion by 2025.
- Further digitization in India's sectors could lead to an increase of \$355-\$425 billion in India's digital sectors and an increase of \$10 billion - \$150 billion in other sectors by 2025 (McKinsey).
- In 2022, India has the potential to add 50 new unicorns, reaching 250 by 2025 (PWC).

# CANADA'S TECH SECTOR

## Recent Growth

- In 2021, Canada's tech industry contributed \$96 billion CAD to the economy, employing 1.1 million Canadians (CompTIA).

## Current Scope

- Canada has one of the most digitally connected populations in the world with over 96% of its population with access to the internet (Digital 2022: Canada).
- In 2021, 91% of Canadian small and medium-sized enterprises invested in technology and the digitization of their operations (Business Development Company).

## Projected Growth

- Canada's technology sector is set to grow 5.3% in 2022 (Cision).
- According to a report by Accenture, a 1% increase in tech adoption across sectors can raise Canada's GDP by \$2.5 billion.

# CANADA-INDIA TECH SYNERGIES

- Digitally skilled workers are in high demand in Canada with over 193,000 workers needed in 2022 and 305,000 workers needed by 2023 (City News). India is the Global Digital Talent Nation with 1.6 million digitally skilled workers (NASSCOM).
- In India, e-commerce has the largest share of India's unicorns followed by fintech, enterprise tech, and other tech unicorns (India Briefing). This growth in India provides a significant market opportunity for Canadian technology companies.
- With its 15 free trade agreements, proximity to the US, and thriving start-up ecosystem Canada presents the perfect destination for Indian tech companies seeking access in North American and international markets.
- India has a strong IT base but needs further development in AI and data analytics to raise its productivity. Canada's comparative advantage in sectors such as AI, digital services, and advanced manufacturing can help India's tech sector reach higher growth and productivity.

# RECENT UPDATES

- In May 2022, the 7th India-Canada Joint Science and Technology Cooperation Committee was held in Ottawa to review direction and initiatives towards technological cooperation between the two countries.
- In June 2022, Mphasis, in partnership with University of Alberta, created the first Canadian delivery center with Indian tech companies leading to 1,000 tech jobs (Financial Post).
- In July 2022, Tata Consultancy Services opened TCS Pace Port in Toronto, its 5th global research and co-innovation center. This center will create 5,000 jobs by 2027 and tap into Canada's innovative environment to encourage collaboration in research and innovation (Business Standard).

