

Software in Indian languages to be real game-changer for SMEs in India

By Jochelle Mendonca, ET Bureau|Updated: Nov 10, 2016, 09.53 AM IST

MUMBAI: Christopher Richard wants to be the Tata Consultancy Services for small-and-medium businesses in India, but he wants public cloud companies like Microsoft and Amazon to pay him for it.

Richard's company — G7CR — offers SMEs customised software hosted on the Microsoft's Azure public cloud but does not charge them for the development costs. The SMEs just pay for the cost of using Microsoft's services, typically less than ₹5,000 a month.

"Because I am a registered cloud service provider with Microsoft, you typically get about 15% of all the cloud spends you bring in. \So that is my margin. Then are also other incentives that they have like sometimes there is a 20% cash back, though those are not constant," Richard told ET.

G7CR's business model is not yet common in the software technology sector. Indian IT services companies typically only sell application development services to large players. SMEs typically have to buy off-the-shelf software products that are pay-per-use

Experts say affordable and easy-to-use software are the need of the hour in order to get more of the 50 million SMEs in India to begin to use technology.

Large IT companies have tried to change that but haven't really succeeded.

Tata Consultancy Services built and marketed its SME-focused iON platform five years ago. The initial attempt was not a success, though iON has since been reinvented as the preeminent examination platform in the country. "The real game-changer for SMEs in India will come when there is more software available in Indian languages.

That is when it will take off. But we are seeing usage based models like this one as well,” Praveen Bhadada, partner in charge of digital transformation at Zinnov, said.

Low-costs are also the key for companies to gain share in the potential \$15 billion SME market. Richard said he lowers the cost of developing the software, which he promises to deliver in less than 45 days, by keeping the building blocks of most applications in a software library.

Richard plans to fund the cloud vertical with up to `10 crore from his existing business. The company is targeting `100 crore in revenue in the next 24 months and plans to hire 120 people in the current financial year.

He also plans to offer SMEs the option to be hosted on Amazon’s public cloud. For customers, getting exactly what they want is a key part of the offering.