INTRODUCTION

If we go back one and half a decades in history, we would find that India’s economic situation was absolutely contrary to what it is today. Today, India is creating a big blotch on the globe. Most of the foreigners are seeking the job in India. MNC’s are eagerly waiting for the opportunity in Indian market to establish their setups in the indigenous Indian market. No doubt, India is offering huge work opportunities in many sectors like Software, Bio-Technology, DOT (Department of Telecommunications) and so on.

As India has massive Human Resource which dominates the world through its knowledge based Industry. One of the main industries which support the Indian economy is Information Technology. Various Indian policies to promote the software industries with the huge technically skilled, English speaking workforce at a low cost have promoted foreign companies to choose India as the best place to carry out their software business at low costs.

Indian states has given the flexibility to the software industries to do the business hassle free. One of the renowned cities in India is Bangalore, popularly known as the “Silicon Valley of India”. Bangalore, have opened the gates to the global firms to setup and to do the business with the great flexibility. Bangalore has 170 software firms including the CMM level 5 and Fortune 500 Companies. In spite of the entire necessary console IT firms facing the general problems.

This paper gives an overview of the Indian Software Industry and focuses on the important issues that are driving the industry slower as not expected. It’s difficult to any of the industry to manage the resources properly at the difficult times. Different firms follow the different practices to resolve the issues that come to task. It’s an attempt to show how the companies are doing pretty good business in the present situation.

**Indian Software Industry**

The IT has brought an incredible success for the emerging Indian economy which no one has dreamt of it. Indian IT sector started with a great vision to promise the economy to keep it stable.
This was begun when the Indian government starts showing the interest in the computers. The government acquired EVS EM computers from the Soviet Union which were used in large companies and Research Laboratories. In 1968, Tata Consulting Services established in Mumbai by Tata Group, were the country’s largest software producers during 1960s.

As growing popularity of computers during 1977-1980, the country’s IT companies like TCS, Patni Consulting Systems and Wipro came into picture. During 1986-87 the Indian government embarked upon the creation of three wide -area computer network schemes: - INDONET (intended to serve the IBM mainframes in India), NICNET (the network for India's National Informatics Centre), and the academic research oriented Education and Research Network (ERNET).

The decision taken by the Indian government to have IT industry in India starts giving the exposure to new talents and massive employment. Now India has gained a brand identity as knowledge economy due to its IT sector. The growth of the service sector has been led by IT sector, contributing magnificent growth in GDP, Employment and Exports. The sector has increased its contribution to India’s GDP from 6.1% in 2009-10 to 6.4% in 2010-11. According to NASSCOM, IT-BPO sector in India aggregated revenue of $88.1 billion in FY 2011. India continues to be the dominant player in outsourcing IT sector. As every country try to prove its potential with its Human Resource and other resources which strengthened the economy. India has few threats from the foreign countries like china with a strong resource available and the Philippines’s.

**Strength of Karnataka**

Karnataka has been the first among other states in India to take many initiatives like encouraging private engineering education and producing technically qualified people, announcing the IT policies. In Karnataka, renowned Bangalore has become a main hub for the development of Information Technology. The software business entered Bangalore in 1970 when the foreign-based software manufacturers shifted their business base from Mumbai due to the lack of Infrastructure facilities and skilled laborers. The Karnataka state earned a good name in Telecommunications, Infrastructure and High-speed data communication facilities. The state owns the 4th best university in India and 18th best university in the world, viz. Bangalore
University and Indian Institute of Science (IISC) respectively. The state annually contributes 45000 graduates from its 105 engineering colleges. Bangalore, which is called the IT capital of India, has more than 450 MNCs, 15,200 IT companies and 66 global Fortune 500 companies. 2, 85,000 IT professionals are employed in Bangalore and 5, 25,000 jobs are expected to be generated by IT companies alone in 2010.

Utility of the study of Research

1) It enlighten about the growth opportunities to the employees in a much enhanced way.
2) It assists the entrepreneur to define new ventures.
3) It supports the government to analyze the situation of this sector and to improve its quality of norms.

Limitations of the study

1) This study is restricted to Bangalore city only.
2) This study is restricted to the Software Industry.