

Asia, Africa & S America ripe for smaller Indian IT cos:ESC

fe Bureau

Pune, Jul 12: Business opportunities emerging in developing markets of Africa, Latin America and Asia have become tailor-made opportunities for tier-II and tier-III IT companies in India. With recovery of the US and European markets being uncertain, the Electronics and Computer Software Export Promotion Council (ESC) said that it was time to reduce dependence on traditional markets, diversify into new and emerging markets and was keen on helping IT companies find the right markets.

Nalin Kohli, former chairman, ESC said that these markets did not want to out-

source or work with large IT companies, but need IT products and software-solutions that cater to SMEs. "These are developing markets and they are looking at solutions and IT products, not IT services. So Indian software-product and -solutions companies can make a dent here. A nascent market is a great opportunity for them," Kohli said.

According to DK Sareen, ED, ESC, export of Indian IT services to Latin American countries was only 0.15% of the total exports of \$49.54 billion, while exports to Africa constituted 1% of total exports. "India has also neglected the Commonwealth of Independent States (CIS) countries (countries that

were former states of the USSR) and these old connections have to be rejuvenated," Sareen said.

"Latin America, barring Brazil, is a largely Spanish-speaking market and smaller companies can easily overcome the language barrier. It is a small, but definite and business can be realized within three to six months in these markets.

In South Africa, there was a lot of business opportunities and the one million strong Indian diaspora was an added advantage," Sareen said. "The challenge in Africa is the lack of infrastructure and poor connectivity and the Indian model of remote delivery of services would not work."

ESC will be host 350 such diverse IT buyers from 50 countries at their annual buyer-seller meet 'Indiasoft' in Pune from March 23 to March 25, 2011.

ESC has 2,500 members and the meet will be the 11th edition. ESC has signed an MoU with the Maharashtra Chamber of Commerce, Industries and Agriculture (MCCIA) in Pune on Monday to work together and co-host the event. Pune has a 2,60,000-strong IT and ITeS community and generates \$6 billion in exports. The city also has a large community of independent software solutions and product-development companies and 'Indiasoft' hopes to give provide them access to buyers.