

# IT-BPO services, products market set for 17% growth by 2012

## **Our Bureau**

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Domestic IT-ITES services and tech products markets are expected to swell to Rs 1,71,697 crore in 2012 – about 17.4 per cent higher than 2011.

According to latest projections by research and advisory firm CyberMedia Research, the aggregate market size of domestic IT services and IT products sector is likely to touch Rs 2,33,930 crore by 2014, growing 17.3 per cent between 2010 and 2014.

“A large chunk of IT hardware and software products will witness good traction on account of the healthy growth in IT services, as enterprises try to gain the best

leverage out of their deployment,” Mr Anirban Banerjee, Associate Vice-President of CyberMedia Research, said in a statement.

Meanwhile, the combined telecom services and products markets will touch Rs 2,88,832 crore by 2012.

“This sector will grow at a CAGR of 15.8 per cent between 2010 and 2014 leading up to a total domestic telecom market opportunity of Rs 3,77,685 crore by 2014,” it said.

The study further noted that the domestic services market (IT Services and ITeS services) will be pegged at Rs 98,188 crore in 2014.

The IT Services alone will grow at 16.7 per cent CAGR over 2010-2014, while ‘do-

mestic ITeS spending will grow at 30.2 per cent over the same period.

“Managed Services will emerge as a strong growth driver with demand for increasingly sophisticated services engagements from the India enterprise segment,” it said.

Amongst other highlights, the survey also forecast an increased penetration of cloud services in the India enterprise segment (from 4 per cent in 2010 to 6.8 per cent in 2012); an above average growth in the IT products segments such as software, PCs, servers and networking equipment between 2010 and 2014; and uptick in enterprise solutions spending post 2011.