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NIIT plans to increase seat capacity in China by 10,000

Looks to set up operations in east African, west Asian nations

SREERUPA MITRA

Bangalore

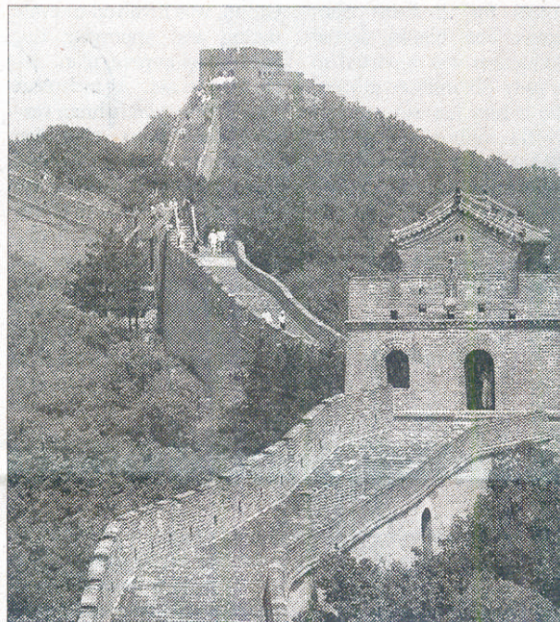
NIIT, the country's largest learning solutions provider, is planning to increase its seat capacity in China by 10,000 seats taking it to a total of 60,000 this year.

"We see China as a growth destination and expect revenue from the nation to increase in the coming years. At present, China accounts for about 15 per cent of our revenue," said G Raghavan, president of Global Individual Learning Solutions, NIIT.

The company has 180 centres in China with 50,000 students. China has been witnessing a sharp rise in demand for IT education in the last couple of years and NIIT has been in the market since 1997.

"We expect China to deliver greater revenues in future as the demand scenario is continuing to pick up," added Raghavan.

The overall size of the IT education in China is unknown as no industry survey has been done on the same. However, as per industry reports, the Chinese IT outsourcing industry is witnessing a robust



The Chinese IT outsourcing industry is witnessing a growth of over 24 per cent CAGR

ance our growth and profitability through capacity utilization," said Raghavan. NIIT operates about 500 centres in India and has about 5 lakh students.

Further, NIIT, which already has presence in 30 global destinations, is also looking to set up operations in few east African and west Asian nations in the coming 6-8 months time.

However, Raghavan points out that the company's prime focus is to consolidate its position in the existing nations and increase its market share in these destinations, rather than expanding into newer territories.

shreerupamitra
@mydigitalfc.com

growth of over 24 per cent compound annual growth rate (CAGR).

China is likely to witness the largest shortage of skills in the next five to 10 years and this scenario is similar to the one in India. By 2010, the Indian IT and ITES industry will require 8,50,000 additional skilled manpower, while China will require over 5 million skilled IT professionals by

2015, industry reports said.

In addition, the NIIT is also looking to increase its seat capacity in India by 25,000-40,000 annually. This is a drop compared to last year, when the company was increasing the number of seats by 15 per cent per year.

"We have decided to limit the rate of our seat capacity expansion in India to single digits in order to bal-