

Govt IT spending may touch \$7 bn in 2016, says Gartner

BENGALURU: The government will spend \$7 billion on IT products and services in 2016, an increase of 3.1% over 2015, according to Gartner.

This forecast includes spending on internal services, software, IT services, data centre, devices and telecom services. IT services (which includes consulting, software support, business process outsourcing, IT outsourcing, implementation, and hardware support) is expected to grow 8.8% in 2016 to reach \$1.6 billion, with the business process outsourcing sub-segment growing by 22%.

Telecom services will be a \$1.5-billion market, with the mobile network services sub-segment recording the fastest growth of 3.5% in 2016 to reach \$793 million. "The government spending on software will total \$938 million in 2016, a 9.9 %



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increase from 2015," said Moutusi Sau, principal research analyst at Gartner, adding, "The software market will be led by growth in infrastructure."

Internal services will grow 5.8% in 2016 to reach \$1.5 billion. Internal services refer to salaries and benefits paid to the information services staff of an organisation. The information services staff includes all com-

pany employees who plan, develop, implement and maintain information systems.

"The 'Digital India' initiative continues to drive investments in the government, led by access of government services on mobile devices (part of the mobile government), and expansion on broadband services," Sau said.

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