

# 'Meltdown to create new avenues for IT'

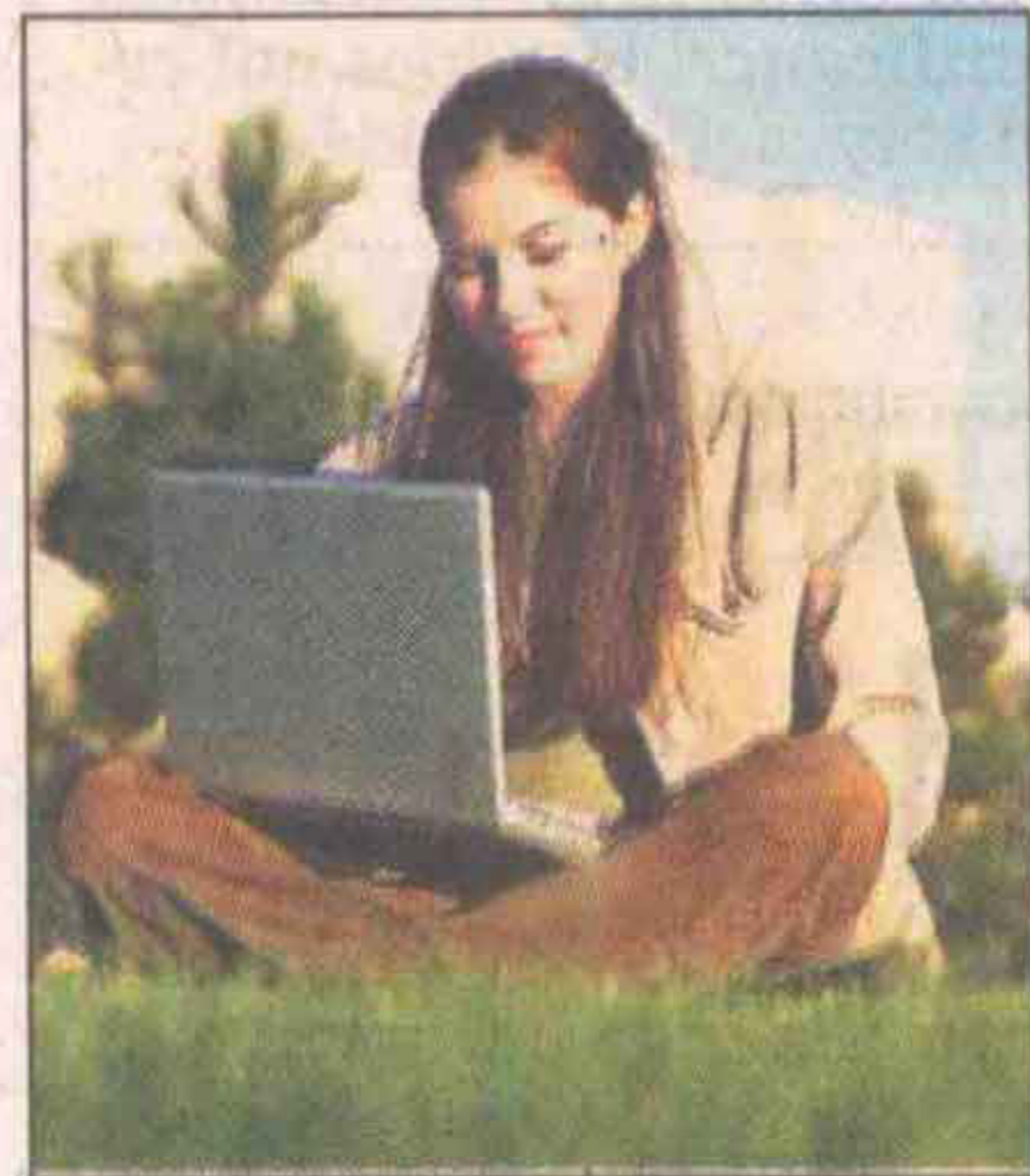
TIMES NEWS NETWORK

**Chennai:** The global meltdown might have slowed the growth of the Indian IT industry, but Nasscom predicts that several changes in economic, business, social megatrends will create new opportunities for the sector in 12 years time.

These new opportunities will lead to export revenues growing to the tune of \$175 billion in 2020 from a target of \$50 billion by 2010. The domestic IT market could also

see a four fold increase in revenues to \$50 billion by 2020 from \$12 billion in 2008, a report by Nasscom-McKinsey & Co predicted.

By 2020, India will emerge as a top three global innovation hub for clinical research, mobile applications and energy efficiency/climate change solutions, leading to transformational opportunities for the technology and business services industry, the report says. "In addition, harnessing information commu-



**EXPORT REVENUE TO HIT \$175BN**

nication technology-based solutions will help drive inclusive growth by uplifting 30 million citizens each year."

About 80% of the incremental revenue growth by 2020 will be driven by opportunities outside of the current core markets, verticals and customer segments and the industry needs to redefine its value proposition to capture these, Nasscom president Som Mittal said.

Despite current slowdown, the core markets for banking,

financial service, insurance, telecom, retail, pharma and travel in the US, EU and Japan will expand upto 1.5 times and reach an addressable market size of \$700-\$750 billion by 2020 from \$500 billion. Untapped customer segments like public sector, healthcare, media and utilities could also contribute about 70% of the opportunity estimated at \$190-\$220 billion by 2020.

Small businesses alone will contribute \$250 billion of the addressable opportunity.