

Small, medium firms starve for IT services

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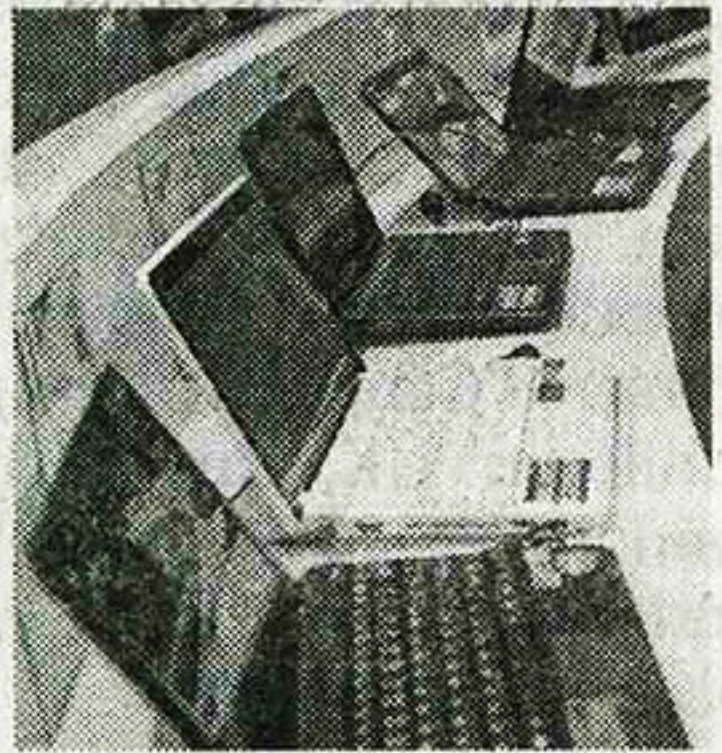
New Delhi

THE IT and ITeS industry in India has been growing at compounded annual growth rate (CAGR) of 25 per cent in the last five years, a report by Confederation of Indian Industry (CII) and PricewaterhouseCoopers (PwC) said. Four main components have formed the industry – IT services, BPO, engineering services and hardware.

The report said that this sector is a key contributor to the services sector accounting for 5.8 per cent of India's overall GDP. It also said that the IT and ITeS industry in India is among the largest employment generators employing 7.5 million people, and is estimated to cross 10 million this year.

"India is positioned at a significant IT landscape with the emergence of new global market and untapped potential of vast rural market. This is supplemented by aggressive marketing and branding, innovation in sales and delivery mechanism, expanding delivery reach and focus on end-to-end solutions," partner advisory services at PwC, Robert L Lattimore, said at a CII conference on Thursday.

However, small and medium players are still



Future bright

■ The report by CII, PwC said that north Indian is becoming a viable hub for the IT, ITeS industry

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starving for IT services in order to streamline their business operations. "IT industry has the capability to translate customer insight into value proposition for each business segment. The industry should therefore embrace Indian enterprises," Jai Menon, group chief information officer at Bharti Enterprises, said.

The report also said that the north Indian region is becoming a viable hub for the industry and views more companies setting up their centres in these locations.

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