



DIGITAL OPPORTUNITIES AND DIGITAL SKILLS TO PAVE THE FUTURE OF THE IT-BPM INDUSTRY IN INDIA: NASSCOM

*Industry continues on growth path in FY2019, Revenues cross USD 180 billion
NASSCOM CEO Survey 2019 findings showcase cautious optimism*

Mumbai, 20th February 2019: On the sidelines of the flagship **NASSCOM Technology and Leadership Forum (NTLF 2019)**, the **National Association of Software and Services Companies (NASSCOM)** today announced the key trends of the industry performance for the year 2018-19. The year has been christened as **'The Year of Digital Acceleration'** wherein the industry was able to fast forward its journey to be the digital solutions partner across the different sectors.

2018-19 was an exciting year for the industry, as the export sector crossed USD 137 billion of revenues and marginally grew above the NASSCOM guidance of 7-9%. Interestingly, the industry sectors have also expanded beyond IT Services and together are almost half the industry revenues in 2018-19. Digital was once again the growth driver for the year, growing 30 percent YoY and is estimated at USD 33 bn in 2018-19. Growth in the start-up sector was another key highlight of the year as India witnessed 8 unicorns being born and start-up funding reached an all-time high.

The key themes for the year included solutions across emerging technologies, especially those that are AI and Automation based. Skilling has been a priority for organisations in the industry, to adapt to the digitally transforming operations and the industry now has over 600,000 digitally skilled professionals. Setting up Centres of Excellence, Innovation Hubs in key markets and enhanced focus on products and platforms are key investments being done by the industry for digital capabilities.

Sharing his views, **Mr. Rishad Premji, Chairman, NASSCOM**, said, *"The IT-BPM industry with revenue of USD 180 billion continues to be a key catalyst for India's growth. During the year, the industry performance also showcased a changing narrative for the sector, a sector focused on internal transformation and driving transformation for its clients globally and in India"*.

Key Facts & Figurers:

1. The IT Software and Services revenue (excluding hardware) crossed USD 165 Bn (constant currency)
2. IT-BPM Digital Revenue - USD 33 bn
3. Tech Start-up Hub - 7,000+ Startups, 3rd largest hub
4. Net new Hirers – 170,00
5. Digitally Skilled – 600,000
6. New R&D GCCs set up in 2018 – 40
7. M&As value in the year – USD 10 Bn



NASSCOM also shared key highlights of the first edition of the CEO Survey that tracks CEO confidence on growth drivers in the year and the key risks to watch for. As per the survey, global economic uncertainties are leading to a cautionary outlook among CEOs, but they expect digitization initiatives to continue with the same momentum. Here, digitization of businesses and enhanced customer experience have emerged as the top 2 spending areas in IT and BPM for 2019. According to the survey, advanced analytics and AI are the top priority area for over 50% of global CEOs in terms of technology spending, followed by hybrid cloud and cybersecurity. Further, almost 90% of the CEO responses showcased that skills is the new currency and 2018 will be similar or somewhat better than in the year 2018 for hiring. Increased focus on skilling and reskilling will be an industry priority as all businesses and countries are dealing with a global tech skills shortage.

Ms. Debjani Ghosh, President, NASSCOM, said, *“CEO Sentiment for 2019-20 is cautiously optimistic in the backdrop of concerns of global macroeconomic risks. Digitalization initiatives are at the core of business transformation and may be less impacted by somewhat lower growth in major economies. The sector will continue to invest in building products and platforms, upskill its talent pool and drive greater collaboration across the ecosystem”.*

The year 2018 marked a decade post the financial crisis of 2008 and witnessed global technology growth as a result of revived customer and business confidence. The decade has witnessed a complete transformation of the technology and services industry in India. As we stand at the cusp of the next decade, the IT-BPM industry will continue to accelerate the digital journey and focus on its vision of Transforming Businesses and Transforming India.

About NASSCOM

NASSCOM® is the premier trade body and the chamber of commerce of the IT-BPM industries in India. NASSCOM is a global trade body with more than 2100 members, which include both Indian and multinational companies that have a presence in India. NASSCOM's member and associate member companies are broadly in the business of software development, software services, software products, consulting services, BPO services, e-commerce & web services, engineering services and animation and gaming. NASSCOM's membership base constitutes over 95% of the industry revenues in India and employs over 3.5 million professionals.

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