

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:2918

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GROWTH IN IT SECTOR

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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Information Technology (IT) Sector has been worst hit by global economic recession in the country;
- (b) if so, the details thereof;
- (c) whether the annual growth rate of this sector has been the lowest during the financial year 2008-09 against the last three years;
- (d) if so, the facts in this regard; and
- (e) the annual growth rate of the Information Technology sector in the country during each of the last three years and the current year?

Answer

MINISTER OF STATE FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY(SHRI SACHIN PILOT)

(a) to (e): As per National Association of Software and Services Companies (NASSCOM), the IT sector has also been adversely impacted by the global economic recession. The Indian Software and Services export growth rate was about 16.5% during the year 2008-09, which was the lowest as compared to the previous three years. The main reason for dip in the growth rate is due to deep recession in North America, UK and European markets that account for more than 85 per cent of Indian software and services exports.

The annual growth rate of IT software and services exports in the country during each of the last three years and estimate for the current year is given below:

(in US \$ billion)

Financial Year	2006-07	2007-08	2008-09	2009-10
Estimated				
IT Software & Services including ITES-BPO	31.2	40.4	47.1	49.7
Year on Year Growth Rate (in %)	32.2	29.5	16.5	5.5

Source: NASSCOM