

Internet economy set to hit '\$1 trn by 2030'

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India's internet economy is likely to grow sixfold to \$1 trillion in gross merchandise value (GMV) by 2030 and reach twice the size of IT services by value, according to a report — *The e-Economy of a Billion Connected Indians* — by Google, Temasek and Bain Capital & Co.

Growing appetite for digitally delivered goods and services in tier-2 and smaller towns, digitisation of large, traditional businesses, growing start-up ecosystem, and success of homegrown digital public infrastructure are expected to drive this growth. The report

says the internet economy contributes 4-5 per cent to the country's GDP, and could reach 12-13 per cent by 2030. Comprising online products and services businesses, such as e-commerce, online travel, food delivery and ride-hailing, the GMV of the country's internet economy stands at \$155-\$175 billion. This is about 48 per cent of India's technology sector and may grow to 62 per cent by 2030, says the report.

Over the next seven years, the B2B e-commerce sector is likely to grow 14x to reach \$120 billion in GMV. Still, B2C e-commerce sector will form the majority of the internet economy and is likely to reach around \$380 billion in GMV.