

# 'Domestic IT growth surpassed exports in 2023 for first time'

**KEY DRIVERS.** Progress was aided by govt investments, use of emerging technology

**Haripriya Sureban**  
Mumbai

Even as India's tech industry witnessed slower growth due to macro headwinds, the domestic IT growth, in 2023, for the first time, exceeded export growth (the growth of export of services), said Rajesh Nambiar, Chairman and MD, Cognizant India, and Chairperson, Nasscom.

The domestic growth was supported by government investments and embracement of emerging technologies, as the market grew 7.8 per cent in 2023. Nambiar was speaking at Nasscom Technology and Leadership Forum 2024.

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#### **RAJESH NAMBIAR**

Chairman and MD, Cognizant India and Chairperson, Nasscom



is actively shaping our businesses, and that's a huge progress. This decade is actually ours," he said.

#### **TECH INDUSTRY**

Tech industry in India is now a \$253-billion industry and employs over 5.4 million

people. India is the third largest tech start-up ecosystem and the third largest digitised country in the world. Given the global headwinds in 2023, the industry did witness a slower growth but still has added \$9 billion incremental revenue and

60,000 new jobs, Nambiar noted.

Chairman further underscored that the engineering research and development (ER&D) industry alone contributed 48 per cent of the total export revenue addition in FY2024. Additionally, the global capability centres (GCC) have been a bright spot this year as they have been expanding their portfolio in India. The industry added 53 new GCCs in 2023, and the total talent employed by the industry is 1.6 million people.

Nambiar also noted that the tech start-up ecosystem this year has made good progress with over 950 tech start-ups being founded in 2023, contributing to a total of more than 31,000 tech start-ups in the last 10 years. The cumulative funding in the sector from 2019 to 2023, exceeded \$70 billion.