

'Global revenue share of IT sector grows to 35%'

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The Indian IT industry has steadily climbed in global ranks, reporting the highest-ever market share in five years. According to a report by BNP Paribas, the revenue market share for Indian IT companies increased in Q2-FY23 — in a seasonally strong quarter — to 35 per cent of the global market share.

GLOBAL STRUGGLE

This comes at a time when the tech industry worldwide is struggling with inflationary headwinds, and Indian IT companies are also bracing for a recession.

Experts note, however, that the Indian IT sector has been resilient to economic



HALE AND HEARTY. The Indian IT sector, unlike global firms, has been resilient against inflationary headwinds ISTOCKPHOTO

conditions. Experiencing a seasonally strong quarter in Q2-FY23, India-based companies saw their revenue market share grow even further, thus reporting the highest-ever numbers in five years.

The growth trend for revenue market share for Indian companies has been generally

positive in the last five years. According to the BNP Paribas IT services industry outlook index (BNPP IOI), the near-term revenue growth outlook for the Indian IT sector remains strong, helped by strong deal wins.

India-based IT companies outperformed their global counterparts, for Q2-FY23,

delivering a cumulative 1 per cent quarter-on-quarter increase in revenues, meanwhile revenues for global IT companies degrew by 2.1 per cent quarter on quarter.

SAVED BY SCALE

Leading IT analyst, Pareekh Jain explained the general resiliency of the Indian IT sector, saying, "The Indian IT sector is doing better than its global counterparts because it is the only region to offer services on a massive scale at a low price. Indian IT companies made major investments into technologies of the future; cybersecurity, analytics, cloud, and IoT digital investment and places where regional players across the globe were unable to invest, which have fostered resiliency into the sector."