

ASSOCIATED CHAMBER OF COMMERCE AND INDUSTRY

CONCLAVE OF SOUTHERN STATES

Pradeep Valsangkar spoke at the conference organized by Associated Chamber of Commerce and Industry (ASSOCHEM) at Cochin on September 27th. Mr. A K Antony, chief minister of Kerala, inaugurated the conference. The conference was named “ The Conclave of Southern States” and concentrated on developing infrastructure and IT through participation from the private sector. The ASSOCHEM president Mr. Raghu Modi also spoke on the occasion.



Mr. Antony called for a common strategy among the four southern states for economic development. He suggested that a high level working group of IT ministers of the four states along with representatives of the respective states Chambers of commerce be set up to discuss the issues. His other suggestions were development of regional information and communication infrastructure plan, development of content in local languages and cooperation amongst the southern states in biotechnology area. He expected an investment of Rs. 50,000 crore in the next five years for IT and communication infrastructure in the state.



Pradeep Valsangkar, brought out the importance of the global IT business and how it can be effectively harnessed with in the southern states. The world IT outsourcing market is expected to touch \$100bn by the year 2005. Nearly half of this outsourcing is done by USA alone. While Indian IT market has also grown exponentially, it still has a very small chunk of the big pi of the world IT market. A number of initiatives have been taken by

the central Govt. to ensure a robust growth of this sector. Indian IT industries have been traditionally working in the low technology areas of application development, migration and web enabling the current applications. However in the last couple of years the emphasis has shifted in to high end consulting assignments in the areas of disaster management and IT strategy consulting. The emphasis has also shifted towards offshore development and India with a large pool of resources is very well poised to effectively tap in to this fast growing market.

It is important for the Indian IT companies to create alliance and partnerships to get in to the outsourcing market of USA, Europe and other parts of the world. Pradeep ended the talk with 10 recommendations for the southern states to effectively tap the outsourcing market. These recommendations included :-

- Entry through vertical segments. Alliance and partnership build up for small players.
- Relationship building.
- To start locally and grow globally



The conference ended with a well-attended dinner at night.