

# Optimism for the Year Ahead

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Friends,

The NASSCOM India Leadership Forum 2010 was a great success, drawing a record 1,700 delegates – the highest number for any NASSCOM event. The conference made a significant impact on the delegates, owing to its mix of high quality speakers, unique content and networking opportunities for attendees, where they could interact with the best of the best in the business and technology domains.

Budget 2010 has also spelt success for NASSCOM and its members, becoming the harbinger for greater policy reforms that will have a direct bearing on the IT-BPO industry. Prior to the announcement of the Budget, NASSCOM had forwarded a set of recommendations to the government, suggesting policy changes to address the challenges faced by IT-BPO organisations. A number of these suggestions have been implemented, causing the industry to be positive about the months ahead.

The micro, small and medium-sized companies within the IT-BPO industry have been working hard to emerge out of the global economic slowdown. NASSCOM has been aware of the difficulties confronting SMEs and has been endeavouring to address their pain points.

Over the last year, we have been actively working with the government to create a level playing field for SMEs, especially when it comes to SEZ benefits. The aim is to extend these (based on Clauses 10A and 10B of the Income Tax Act) to the smaller companies.

While we are working for the extension of STPI benefits, at the same time, we are also looking at other options. The

government is very keen on promoting Tier 2 and Tier 3 cities and that will be a big driver.

As regards to government business, the long-term solution will have to be an ecosystem, which is multi-tier and where large companies can leverage SMEs for niche solutions or certain services. Given the coverage required, this is inevitable. We are going to develop a directory of such SME solutions providers and facilitate a platform for partnership creation. Later during the year, we are planning to host an expo where specialised solutions developed by SMEs can be demonstrated. This expo will be attended by both the centre and state government departments and rolled out in collaboration with the DIT.

We have also reworked the profiles of around 800 existing SME members on our website so that potential customers can search for specific solution providers and establish business links with them.

For many members who are active in the products, embedded and engineering services space, we have created different forums that are helping them deal with their problems. The Emerge Forum for instance, is adding great value to SME members. The mentoring programme initiated by NASSCOM is scaling. The success achieved by the Product and Engineering Summit in 2009 has reiterated NASSCOM's commitment to help smaller players become active in these sectors.

The SMEs have been and will continue to be on our radar. NILF 2010 and all our other specific initiatives point in this direction.

**Som Mittal**  
President, NASSCOM