

Post recession, niche players growing the fastest: Deloitte

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BANGALORE: Post recession , small and medium technology or tech-driven firms in India are increasingly looking at innovation and niche-play, instead of being generic providers, finds a study by Deloitte, the professional services firm, released here on Friday. TOI had reported yesterday that research firm Everest had found a similar trend.

Deloitte annually ranks 50 of the fastest growing companies in the technology, media and telecom (TMT) space across geographies including India. In its ranking for 2009-10, lesser known companies, Fatpipe Networks, Ad2Pro Media Solutions and iYogi Technical Service have secured the first three positions with an impressive annual revenue growth of 1,765%, 1,649% and 1,438% respectively. Together, the top three saw an average growth rate of 1,617% over the last three years.

The Deloitte study, now in its sixth year, ranks the fastest growing TMT companies based on their percentage revenue growth over the last three fiscal years.

Chennai-based Fatpipe Networks provides router clustering technology, Bangalore-based Ad2Pro Media focusses on graphic design solutions and iYogi is a BPO/KPO and remote technical

support player in Gurgaon.

P N Sudarshan, senior director of Deloitte Touche Tohmatsu India, told TOI: "It is apparent that the dominance of pure-play IT services firms has come down this year. Till a year ago, 80% of the companies that came in the Deloitte rankings were from the pure IT space. This time around we see new faces, with a variety of portfolios across products, mobile applications, VAS (value added services), online education and domain-centric ventures for healthcare, travel, retail, etc."

Deloitte received 116 nominations for last year's ranking, of which 50 were chosen as fastest-growing companies in the TMT sector. The average top-line growth of these 50 was 296% over the last three years.

"There was a roughly 10% decline compared to the year before, but that's not significant given that the recessionary impact was still there. The key focus was on domestic markets," Sudarshan said. However, the number of large companies in the 'fastest' list has dramatically dropped to 26%, against 44% in the year before. Mid-size companies have been the best performers as their share in the list has doubled this year.