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RESERVE BANK OF INDIA

वेबसाइट : www.rbi.org.in/hindi

Website : www.rbi.org.in

इ-मेल email: [helpdoc@rbi.org.in](mailto:helpdoc@rbi.org.in)

संचार विभाग, केंद्रीय कार्यालय, एस.बी.एस.मार्ग, मुंबई-400001

DEPARTMENT OF COMMUNICATION, Central Office, S.B.S.Marg, Mumbai-400001

फोन/Phone: 91 22 2266 0502 फैक्स/Fax: 91 22 22660358

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## India's Exports of Computer Services 75.2 per cent of Total Software Services Exports in 2011-12: RBI Survey

The Reserve Bank of India today released, on its website, the data related to the results of Computer Software and Information Technology (IT) Services Exports: 2011-12.

The data compiled are based on the annual survey on 'Computer Software and Information Technology Services Exports'. The survey is intended to provide information on various aspects of computer services exports as well as exports of Information Technology Enabled Services (ITES) and Business Process Outsourcing (BPO). The survey collects details of export of software services as per the activity, type of services (on-site/off-site) and country of destination along with the four modes of supply, as per General Agreement on Trade in Services (GATS). The survey schedule is enclosed in the [Annex](#).

### Highlights:

- **Coverage:** For the 2011-12 survey round, the schedule was canvassed among 6,550 companies of which 731 companies, including most of the large companies responded, accounting for around 81.0 per cent of the total software exports during the year.
- **Software and ITES/BPO services exports:** India's export of software services and ITES/BPO services during 2011-12 is estimated at ₹ 2,484.3 billion (US\$ 51.8 billion), showing an annual growth of 14.5 per cent. Exports of Computer Services and ITES/BPO services accounted for 75.2 per cent and 24.8 per cent, respectively of the total software services exports.
- **Growth of Software Services Exports:** Growth of computer services exports during 2011-12 slowed down to 16.8 per cent from 26.2 per cent in the previous year; growth of BPO services exports rose to 8.0 per cent in 2011-12 from 0.2 per cent in 2010-11 (**Table 1**).
- **Industry-wise Distribution of BPO Services Exports:** Among the major activities in BPO services exports, Finance and Accounting related services witnessed a significant increase in its share (**Table 2**).
- **Organisation-wise Share:** Public limited companies accounted for 58.7 per cent share of the total software services exports during 2011-12 and registered an annual growth of 9.6 per cent. On the other hand, private limited companies with 41.2 per cent share registered much higher growth of 22.4 per cent (**Table 3**).

- **Country-wise share:** 'USA and Canada' continued to remain major destination for software exports. USA contributed 62.9 per cent of the total export of software services in 2011-12. European countries had share of 23.3 per cent, of which UK accounted for 14.3 per cent (**Table 4**).
- **Currency Composition of Invoice:** US Dollar remained the major invoice currency for software exports with 76.4 per cent share. Pound Sterling and Euro had shares of 8.7 per cent and 7.0 per cent, respectively (**Table 5**).
- **On-site and Off-site Exports:** The share of export of software service through off-site mode increased in 2011-12. Its contribution in total service exports increased to 82.2 per cent in 2011-12 from 79.3 per cent in the previous year (**Table 6**).
- **Software Exports by Different Modes:** The share of software services exports through cross-border supply (Mode-1), consumption abroad (Mode-2) and commercial presence (Mode-3) increased whereas the share of software services by India through presence of natural person (Mode-4) in 2011-12 decreased. (**Table 7**).
- **Software exports by Foreign Affiliates of Indian Companies:** The software exports by foreign affiliates stood at ₹ 453.4 billion in 2011-12 and total international trade in software services by India, including the services delivered by foreign affiliates established abroad, stood at ₹ 2937.7 billion in 2011-12 (**Table 8 and 9**).

<b>Table 1: Software Services Export From India: 2011-12</b>			
			(₹ billion)
<b>Activity</b>	<b>2010-11</b>	<b>2011-12</b>	<b>Growth (%)</b>
	(1)	(2)	(3)
<b>A). Computer Services</b>	<b>1598.4</b>	<b>1867.1</b>	<b>16.8</b>
Of which: i) IT services	1492.2	1661.8	11.4
ii) Software Product Development	106.2	205.3	93.3
<b>B). ITES/BPO Services</b>	<b>571.7</b>	<b>617.2</b>	<b>8.0</b>
Of which: i) BPO Services	468.7	523.0	11.6
ii) Engineering Services	103.0	94.2	-8.5
<b>Total Export of Software Services (A+B)</b>	<b>2170.1</b>	<b>2484.3</b>	<b>14.5</b>

Activity	2010-11			2011-12			Annual Growth in ₹(%)
	₹ billion	US\$ billion*	Share (%)	₹ billion	US\$ billion*	Share (%)	
	(1)	(2)	(3)	(4)	(5)	(6)	
<b>BPO Services</b>	<b>468.6</b>	<b>10.28</b>	<b>82.0</b>	<b>523.0</b>	<b>10.91</b>	<b>84.7</b>	<b>11.6</b>
Customer interaction services	69.6	1.53	12.2	89.2	1.86	14.4	28.2
Finance and Accounting, auditing, book keeping and tax consulting services	76.5	1.68	13.4	145.4	3.03	23.5	90.1
HR Administration	2.9	0.06	0.5	1.2	0.03	0.2	-59.3
Procurements and logistics	2.7	0.06	0.5	0.1	0.00	0.0	-96.4
Medical transcription	3.5	0.08	0.6	1.1	0.02	0.2	-68.1
Document Management	3.5	0.08	0.6	2.2	0.05	0.4	-37.9
Content development and management and publishing	4.4	0.10	0.8	4.1	0.09	0.7	-5.7
Other BPO service	305.5	6.69	53.4	279.7	5.84	45.3	-8.4
<b>Engineering Services</b>	<b>103.0</b>	<b>2.26</b>	<b>18.0</b>	<b>94.2</b>	<b>1.97</b>	<b>15.3</b>	<b>-8.5</b>
Embedded Solutions	13.6	0.30	2.4	12.8	0.27	2.1	-6.0
Product Design Engineering (mechanical, electronics excluding software)	49.4	1.08	8.6	43.2	0.90	7.0	-12.6
Industrial automation and enterprise asset management	3.1	0.07	0.6	0.0	0.00	0.0	-100.0
Other Engineering service	36.9	0.81	6.4	38.2	0.80	6.2	3.6
<b>Total</b>	<b>571.7</b>	<b>12.54</b>	<b>100.0</b>	<b>617.2</b>	<b>12.88</b>	<b>100.0</b>	<b>8.0</b>

\* Using annual average Rupee/ Dollar exchange rate (Handbook of Statistics on Indian Economy, RBI).

Types of Organisation	2010-11			2011-12			Annual Growth in ₹ (%)
	₹ billion	US\$ billion*	Share (%)	₹ billion	US\$ billion*	Share (%)	
	(1)	(2)	(3)	(4)	(5)	(6)	
Private Limited Company	836.3	18.3	38.5	1023.5	21.4	41.2	22.4
Public Limited Company	1330.7	29.2	61.3	1458.3	30.4	58.7	9.6
Others	3.1	0.1	0.2	2.5	0.1	0.1	-19.4
<b>Total</b>	<b>2170.1</b>	<b>47.6</b>	<b>100.0</b>	<b>2484.3</b>	<b>51.9</b>	<b>100.0</b>	<b>14.5</b>

\* For footnote please refer to Table 2.

Activity	2010-11			2011-12			Annual Growth in ₹ (%)
	₹ billion	US\$ billion*	Share (%)	₹ billion	US\$ billion*	Share (%)	
	(1)	(2)	(3)	(4)	(5)	(6)	
<b>USA &amp; Canada</b>	1410.4	30.9	65.0	1597.4	33.3	64.3	13.3
<b>Europe</b>	508.4	11.1	23.5	578.8	12.1	23.3	13.8
of which UK	325.4	7.1	15.0	355.3	7.4	14.3	9.2
<b>Asia</b>	111.9	2.5	5.1	129.2	2.7	5.2	15.5
of which East Asia	87.4	1.9	4.0	99.4	2.1	4.0	13.7
West Asia	20.2	0.5	0.9	24.8	0.5	1.0	22.8
South Asia	4.3	0.1	0.2	5.0	0.1	0.2	16.3
<b>Australia &amp; New Zealand</b>	59.3	1.3	2.7	87.0	1.8	3.5	46.7
<b>Other countries</b>	80.1	1.8	3.7	91.9	1.9	3.7	14.7
<b>Total</b>	<b>2170.1</b>	<b>47.6</b>	<b>100.0</b>	<b>2484.3</b>	<b>51.8</b>	<b>100.0</b>	<b>14.5</b>

\* For footnote please refer to Table 2.

Currency	2010-11			2011-12			Annual Growth in ₹ (%)
	₹ billion	US\$ billion*	Share (%)	₹ billion	US\$ billion*	Share (%)	
	(1)	(2)	(3)	(4)	(5)	(6)	
USD	1633.4	35.8	75.3	1898.0	39.6	76.4	16.2
EUR	152.0	3.3	7.0	173.9	3.6	7.0	14.4
GBP	212.9	4.7	9.8	216.1	4.5	8.7	1.5
AUD	63.6	1.4	2.9	87.0	1.8	3.5	36.8
INR	28.3	0.6	1.3	22.4	0.5	0.9	-20.8
Other Currencies	79.9	1.8	3.7	87.0	1.8	3.5	8.9
<b>Total</b>	<b>2170.1</b>	<b>47.6</b>	<b>100.0</b>	<b>2484.3</b>	<b>51.8</b>	<b>100.0</b>	<b>14.5</b>

\* For footnote please refer to Table 2.

Type of Services	2010-11			2011-12			Annual Growth in ₹ (%)
	₹ billion	US\$ billion*	Share (%)	₹ billion	US\$ billion*	Share (%)	
	(1)	(2)	(3)	(4)	(5)	(6)	
On-site Services	450.1	9.9	20.7	442.2	9.2	17.8	-1.8
Off-site Services	1720.0	37.7	79.3	2042.1	42.6	82.2	18.7
<b>Total</b>	<b>2170.1</b>	<b>47.6</b>	<b>100.0</b>	<b>2484.3</b>	<b>51.8</b>	<b>100.0</b>	<b>14.5</b>

\* For footnote please refer to Table 2.

Type of Mode	Amount (₹ billion)		Share in Total (per cent)		Growth (%)
	2010-11	2011-12	2010-11	2011-12	
	(1)	(2)	(3)	(4)	
<b>Mode 1</b>	1718.4	2028.4	67.4	69.0	18.0
<b>Mode 2</b>	1.6	13.7	0.1	0.5	756.3
<b>Mode 3</b>	377.7	453.4	14.8	15.4	20.0
<b>Mode 4</b>	450.1	442.2	17.7	15.1	-1.8
<b>Total</b>	<b>2547.8</b>	<b>2937.7</b>	<b>100.0</b>	<b>100.0</b>	<b>15.3</b>

Activity	Software business done by foreign affiliates		
	Locally	To India	Other Countries
	(1)	(2)	(3)
IT services	27.48	10.67	5.43
Software Product Development	1.64	0.67	7.95
BPO Services	30.99	4.44	12.25
Engineering Services	1.49	0.27	20.55
Other services	391.81	0.38	20.79
<b>Total</b>	<b>453.41</b>	<b>16.43</b>	<b>66.97</b>

Country	Share in Total Software business by foreign affiliates (%)	Software business by foreign affiliates		
		Locally	To India	Other Countries
	(1)	(2)	(3)	(4)
USA	65.0	324.9	9.1	15.0
United Kingdom	5.3	26.2	0.3	2.3
Singapore	4.4	10.6	0.5	12.8
Netherlands	4.3	11.5	0.0	11.4
Canada	3.6	19.1	0.0	0.2
Germany	2.9	14.0	0.7	0.6
Other Countries	14.5	47.1	5.8	24.7
<b>Total</b>	<b>100.0</b>	<b>453.4</b>	<b>16.4</b>	<b>67.0</b>