



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

वेबसाइट : www.rbi.org.in/hindi

Website : www.rbi.org.in

इ-मेल email: 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: 022- 22610835 फैक्स/Fax: 91 22 22660358

December 10, 2018

Survey on Computer Software & Information Technology Enabled Services Exports: 2017-18 – Data Release¹

Today, the Reserve Bank released the results of the 2017-18 round of its annual survey on exports of computer software and information technology enabled services (ITES). The survey provides information on various characteristics of India's exports of software services (e.g., type of activity; on-site/off-site nature of services; country of destination; and modes of supply). The survey schedule is given in the [Annex](#).

For the 2017-18 round of the survey, 7,434 IT companies were approached, of which 1,546 companies (including most of the large companies) with a share of 81.4 per cent in total software exports during the year responded. Exports of the remaining companies were estimated by imposing the distribution pattern of the reporting companies (**Table 1**).

Highlights:

- India's total exports of software services (excluding exports through overseas commercial presence) increased by 11.6 per cent to US \$ 108.4 billion in 2017-18. (**Table 2**)
- Computer services remained the dominant component of total exports of software services; there has been a marginal increase in the share of BPO services. (**Table 3**)
- Exports of software services by private limited companies exceeded those of public limited companies for the first time in the survey's history. (**Table 4**)
- USA and Canada together accounted for 60 per cent of exports of software services, followed by Europe, where the UK was the major export destination. (**Table 5**)
- The US dollar was the invoicing currency for nearly three-fourth of the exports of software services, followed by the euro and the pound sterling. (**Table 6**)
- The off-site mode remained the preferred mode of delivery; the share of on-site services declined during 2017-18 (**Table 7**)
- The share of exports of software services through the cross-border supply mode increased during the year; other three modes of delivery (viz., consumption abroad; commercial presence; and presence of natural persons) together accounted for 30 per cent. (**Table 8**)

- Total exports of software services by India (including of services delivered by foreign affiliates of Indian companies, which were mainly present in the US and the UK) during 2017-18 are estimated at US\$ 131.3 billion. (**Tables 8, 9 and 10**)

Press Release : 2018-2019/1341

Ajit Prasad
Assistant Adviser

¹ The previous data release in the series, covering 2016-17 survey round, was put in public domain on [December 08, 2017](#).

Table 1: Survey Response and Final Estimates for 2017-18 – A Snapshot

(₹ billion)

Item	Reported *	Final Estimates **
	(1)	(2)
1. No. of companies	1,546	7,434
2.Total Exports of Software Services	5,742.2	7,051.2
2.1 IT services	3,832.0	4,572.8
2.2 Software Product Development	183.7	237.1
2.3 BPO Services	1,303.7	1,739.1
2.4 Engineering Services	422.8	502.2
3. Total Exports of Software Services (including commercial presence)	7,227.3	8,536.3
3.1 Mode 1 (cross-border supply)	4,832.9	5,934.6
3.2 Mode 2 (consumption abroad)	7.6	9.3
3.3 Mode 3 (commercial presence)	1,485.1	0.0
3.4 Mode 4 (presence of natural person)	901.7	1,107.3
* Response by the largest 20 companies ensured industry representation in the survey coverage.		
** Details of estimation methodology are published in the article entitled 'Survey on Computer Software and Information Technology Enabled Services Exports: 2016-17' published in March 2018 issue of the RBI Bulletin.		

Table 2: Software Services Export from India

Activity	2016-17			2017-18		
	₹ billion	US \$ billion*	Share (%)	₹ billion	US \$ billion*	Share (%)
	(1)	(2)	(3)	(4)	(5)	(6)
A). Computer Services	4,506.7	67.2	69.2	4,809.9	74.0	68.2
Of which: i) IT services	4,300.0	64.1	66.0	4,572.8	70.3	64.9
ii) Software Product Development	206.7	3.1	3.2	237.1	3.6	3.4
B). ITES/BPO Services	2,003.3	29.9	30.8	2,241.3	34.5	31.8
Of which: i) BPO Services	1,539.0	23.0	23.7	1,739.1	26.7	24.7
ii) Engineering Services	464.3	6.9	7.1	502.2	7.7	7.1
Total Export of Software Services (A+B)	6,510.0	97.1	100.0	7,051.2	108.4	100.0

Note: The sum of components may differ from totals, due to rounding off.

* Using annual average Rupee/ Dollar exchange rate.

These footnotes are applicable for all other tables also.

Table 3: Industry-wise Distribution of ITES/BPO Services Exports

Activity	2016-17			2017-18		
	₹ billion	US \$ billion	Share (%)	₹ billion	US \$ billion	Share (%)
	(1)	(2)	(3)	(4)	(5)	(6)
BPO Services	1,539.0	23.0	76.8	1,739.1	26.7	77.6
Customer interaction services	99.9	1.5	5.0	178.5	2.7	8.0
Finance and Accounting, auditing, book keeping and tax consulting services	206.2	3.1	10.3	275.6	4.2	12.3
HR Administration	12.7	0.2	0.6	14.0	0.2	0.6
Procurements and logistics	7.2	0.1	0.4	8.7	0.1	0.4
Medical transcription	15.7	0.2	0.8	9.1	0.1	0.4
Document Management	7.0	0.1	0.3	8.9	0.1	0.4
Content development and management and publishing	17.0	0.3	0.8	17.0	0.3	0.8
Other BPO services	1,173.3	17.5	58.6	1,227.3	18.9	54.8
Engineering Services	464.3	6.9	23.2	502.2	7.7	22.4
Embedded Solutions	74.5	1.1	3.7	79.5	1.2	3.5
Product Design Engineering (mechanical, electronics excluding software)	155	2.3	7.7	158.8	2.4	7.1
Industrial automation and enterprise asset management	1.1	0.0	0.1	10.5	0.2	0.5
Other Engineering services	233.7	3.5	11.7	253.4	3.9	11.3
Total	2,003.3	29.9	100.0	2,241.3	34.5	100.0

Table 4: Organisation-wise Distribution of Software Services Exports

Types of Organisation	2016-17			2017-18		
	₹ billion	US \$ billion*	Share (%)	₹ billion	US \$ billion*	Share (%)
	(1)	(2)	(3)	(4)	(5)	(6)
Private Limited Company	3,203.0	47.8	49.2	3,647.1	56.1	51.7
Public Limited Company	3,275.1	48.8	50.3	3,352.2	51.5	47.5
Others	31.9	0.5	0.5	51.9	0.8	0.7
Total	6,510.0	97.1	100.0	7,051.2	108.4	100.0

Table 5: Software Services Exports – Major Destination

Activity	2016-17			2017-18		
	₹ billion	US \$ billion*	Share (%)	₹ billion	US \$ billion*	Share (%)
	(1)	(2)	(3)	(4)	(5)	(6)
USA & Canada	3,953.9	59.0	60.3	4,330.8	66.6	61.4
Europe	1,516.3	22.6	23.1	1,695.1	26.1	24.0
of which UK	729.2	10.9	11.1	810.2	12.5	11.5
Asia	655.6	9.8	10.7	595.8	9.2	8.5
of which East Asia	483.9	7.2	8.1	485.1	7.5	6.9
West Asia	74.8	1.1	1.1	59.2	0.9	0.8
South Asia	96.9	1.5	1.5	51.5	0.8	0.7
Australia & New Zealand	216.2	3.2	3.3	239.0	3.7	3.4
Other countries	168.0	2.5	2.6	190.4	2.9	2.7
Total	6,510.0	97.1	100.0	7,051.2	108.4	100.0

Table 6: Software Services Exports - Currency Composition of Invoice

Currency	2016-17			2017-18		
	₹ billion	US \$ billion*	Share (%)	₹ billion	US \$ billion*	Share (%)
	(1)	(2)	(3)	(4)	(5)	(6)
USD	4,754.3	70.9	73.0	5,125.6	78.8	72.7
EUR	466.6	7.0	7.2	550.1	8.5	7.8
GBP	519.6	7.8	8.0	488.6	7.5	6.9
INR	234.9	3.5	3.6	323.0	5.0	4.6
AUD	191.0	2.8	2.9	209.9	3.2	3.0
Other Currencies	343.6	5.1	5.3	354.1	5.4	5.0
Total	6,510.0	97.1	100.0	7,051.2	108.4	100.0

Table 7: Software Services Exports – Type of Services-wise

Type of Services	2016-17			2017-18		
	₹ billion	US \$ billion*	Share (%)	₹ billion	US \$ billion*	Share (%)
	(1)	(2)	(3)	(4)	(5)	(6)
On-site Services	1,121.2	16.7	17.2	1,107.3	17.0	15.7
Off-site Services	5,388.8	80.4	82.8	5,943.9	91.4	84.3
Total	6,510.0	97.1	100.0	7,051.2	108.4	100.0

Table 8: Mode-wise Exports of Software Services

Type of Mode	Amount (₹ billion)		Share in Total (per cent)	
	2016-17	2017-18	2016-17	2017-18
	(1)	(2)	(3)	(4)
Mode 1 (cross-border supply)	5,374.5	5,934.6	66.5	69.5
Mode 2 (consumption abroad)	14.3	9.3	0.2	0.1
Mode 3 (commercial presence)	1,567.8	1,485.1	19.4	17.4
Mode 4 (presence of natural person)	1,121.2	1,107.3	13.9	13.0
Total	8,077.8	8,536.3	100.0	100.0

Table 9: Software Business by Foreign Affiliates of Indian Companies during 2017-18 – Activity Distribution

(amount in ₹ billion)

Activity	Locally	To India	Other Countries
	(1)	(2)	(3)
IT services	51.0	6.1	20.1
Software Product Development	13.8	0.8	6.2
BPO Services	87.9	1.5	8.9
Engineering Services	5.8	0.0	0.0
Other services	1,326.7	96.2	128.9
Total (₹ billion)	1,485.1	104.6	164.1
Total (US \$ billion*)	22.8	1.6	2.5

**Table 10: Software Business by Foreign Affiliates of Indian Companies during 2017-18
Country Distribution**

(amount in ₹ billion)

Country	Share in Total Software business by foreign affiliates (%)	Software business by foreign affiliates		
		Locally	To India	Other Countries
	(1)	(2)	(3)	(4)
USA	64.2	1,011.7	77.7	35.5
United Kingdom	7.2	68.7	1.6	56.1
Canada	3.5	57.9	0.3	3.8
Germany	4.0	57.5	7.1	5.1
Singapore	2.6	36.1	1.3	8.5
Netherlands	3.9	50.3	0.8	17.0
Other Countries	14.6	202.9	15.7	38.0
Total	100.0	1,485.1	104.6	164.1