Incredible !ndia
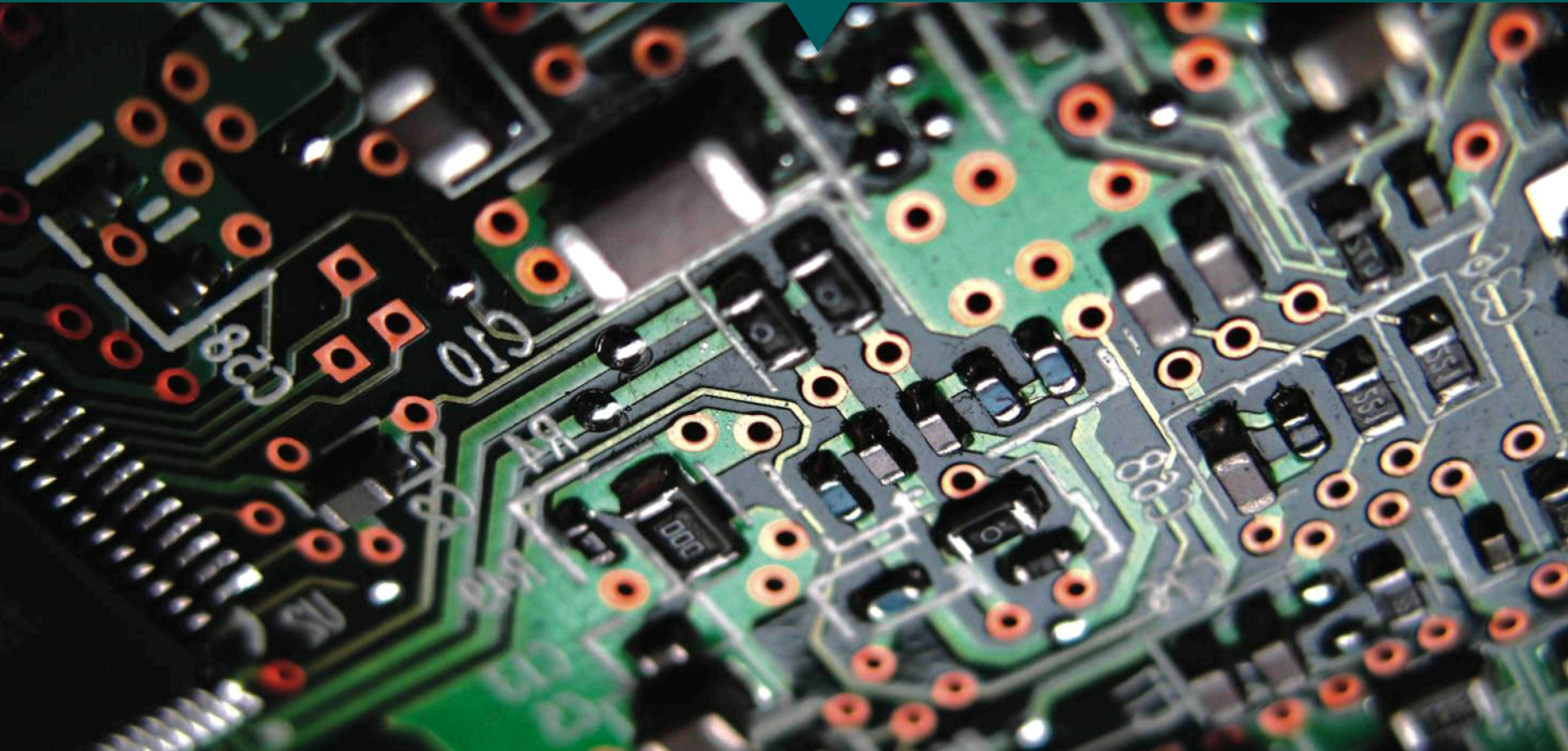
ELECTRONIC &
COMPUTER SOFTWARE

ESC

The IT and electronics sector is one of the fastest-growing segments of the Indian industry, both in terms of production and exports. In fact, software development and IT-enabled Services (ITeS) have contributed significantly to India's emergence as a global player. Today, India is a vast market and has a major IT production base. The direct employment in the ITeS sector was estimated to grow at a rate of 9 per cent to reach 2.77 million in 2011-12. Electronics hardware production (supply) is expected to touch US$ 400 billion by 2020.

HIGHLIGHTS

- There has been continued growth across product development and engineering services, reflecting India's increasing role in global technology IP creation.
- The emergence of green IT with the introduction of green products (which are efficient in energy, space, materials usage and are regulatory-compliant) is creating meaningful differentiation.
- The Indian communication and broadcasting sector - with a subscriber base of 926.5 million as of December 2011 - is the third largest in world and second largest in Asia.
- Consumer electronics registered 7.19 per cent growth in production in 2011-12 and a growth rate of 11.3 per cent for the period 2006-07 to 2011-12.
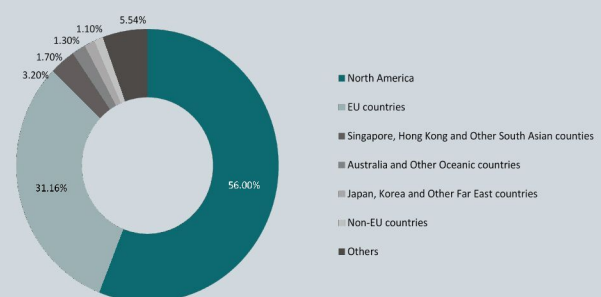- PC sales were estimated to be around 10.7 million units in 2011-12 with an estimated 10 per cent growth in production.

KEY MARKETS & EXPORT DESTINATIONS

The IT and electronics industry witnessed a growth of 19.2 per cent in production and 21.9 per cent in exports in 2011-12, with India ranking among the top 30 markets in terms of sales and production.

- Exports by the computer services industry stood at US$ 69 billion in 2011-12.
- North America is the key market for

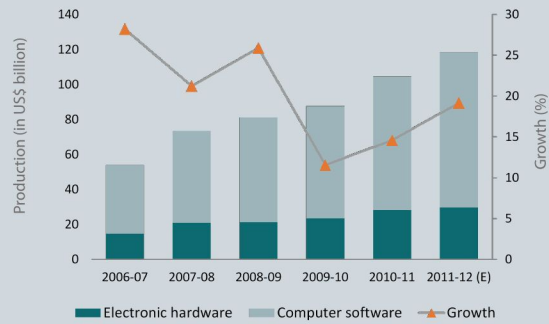Indian Computer Software/Services' Export Destinations (2010-11)

- 5.54%
- 1.10%
- 1.30%
- 1.70%
- 3.20%
- 31.16%
- 56.00%

- North America
- EU countries
- Singapore, Hong Kong and Other South Asian counties
- Australia and Other Oceanic countries
- Japan, Korea and Other Far East countries
- Non-EU countries
- Others

Source: ESC, India

THE AVAILABILITY OF COST-EFFECTIVE MANPOWER ALLOWS MULTINATIONALS TO SAVE UP TO 25 PER CENT TO 30 PER CENT IN OPERATIONAL COSTS

Growth in Production of Electronics and Computer Software/Services (2006-07 to 2011-12)

Source: Department of Information Technology, Government of India

have been among the major destinations for India's exports of electronics and computer software/ services during 2010-11.

- Exports to markets such as Australia and other Oceanic countries registered a growth of 14 per cent in 2010-11 , growing from US$ 0.91 billion in 2010-11. to US$ 1.04 billion in 2010-11.
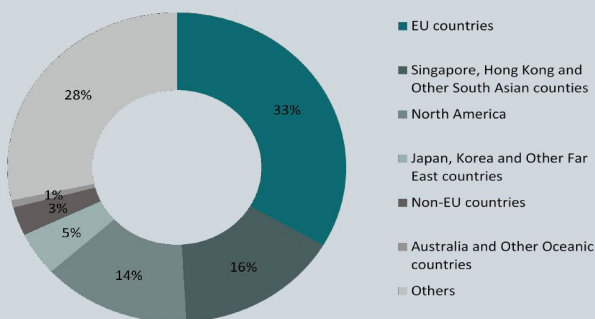
ADVANTAGE INDIA

- The availability of cost-effective manpower allows multinationals to save up to 25 per cent to 30 per cent in operational costs.
- India has favourable government policy and regulatory support for the electronics and IT industry.
- There are a range of service offerings available, starting from low-end application development to high-end integrated IT solutions across multiple verticals with a well-developed vendor base.
- The Indian IT and software industry has quality processes and adheres to quality standards, with the majority of the companies aligning their operations with international standards.
- India has affordable real estate in the form of software technology parks and special economic zones.
- Amongst the top five global service locations, India maintains a substantive lead with respect to the financial attractiveness index.

MAJOR TRADE FAIRS

- Gitex - Dubai, October 14-18, 2012 , Dubai
- Productronica, November 12-15, 2013 , Munich, Germany

Indian Electronics' Export Destinations (2010-11)

Legend:
- EU countries — 33%
- Singapore, Hong Kong and Other South Asian counties — 16%
- North America — 14%
- Japan, Korea and Other Far East countries — 5%
- Non-EU countries — 3%
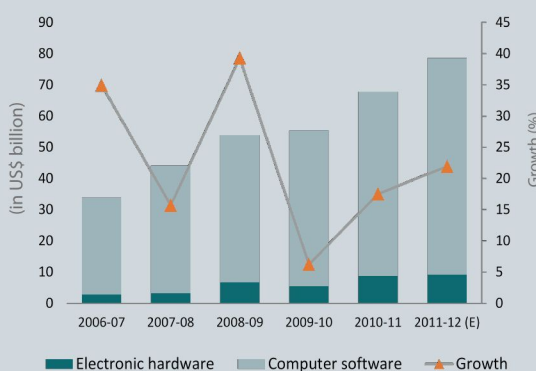- Australia and Other Oceanic countries — 1%
- Others — 28%

Source: ESC, India

exports of computer software and services; 56.0 per cent of India's exports were to North America in 2010-11.

- Exports to the EU were estimated at 31.1 per cent in 2010-11.
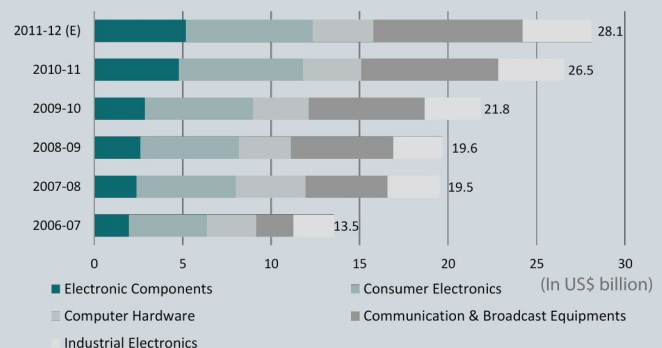- Singapore, Hong Kong and other South Asian countries

Growth in Exports of Electronics and Computer Software/Services (2006-07 to 2011-12)

Source: Department of Information Technology, Government of India

(E): Estimated

Segment-wise Electronics Production (2006-07 to 2011-12)

Year	Value (In US$ billion)
2011-12 (E)	28.1
2010-11	26.5
2009-10	21.8
2008-09	19.6
2007-08	19.5
2006-07	13.5

Legend:
- Electronic Components
- Consumer Electronics
- Computer Hardware
- Communication & Broadcast Equipments
- Industrial Electronics

Source: Department of Information Technology, Government of India

THE EMERGENCE OF GREEN IT WITH THE INTRODUCTION OF GREEN PRODUCTS (WHICH ARE EFFICIENT IN ENERGY, SPACE, MATERIALS USAGE AND ARE REGULATORY-COMPLIANT) IS CREATING MEANINGFUL DIFFERENTIATION

- Expo Comm Argentina, October 17–19, 2012, Milan, Italy
- International CES, January 8-11, 2013, Las Vegas
- Hong Kong Electronics Fair, April 13-16, 2013, Hong Kong
- The Internet Show, April 17–18, 2013, Dubai, UAE

ELECTRONICS AND COMPUTER SOFTWARE EXPORT PROMOTION COUNCIL

The Electronics and Computer Software Export Promotion Council (ESC) was formed to provide a platform to the IT and electronics industry in India. With exports to more than 200 countries, ESC has successfully steered the direction of India's electronics and software exports to achieve export volumes of around US$ 78.6 billion during 2011-12.

- ESC provides a comprehensive database on industry companies, products and capabilities of all major players.
- The Council facilitates import/export collaborations, joint ventures, sub-contracting tie-ups and technology transfers for industry players.
- It provides access to published reports on markets, products and trade statistics, business opportunities, and government policies.

Contact Details

3rd Floor, PHD House
Opp. Asiad Village
New Delhi — 110 016
INDIA
Tel.: +91–11–2696 5103, 2696 4463
Fax: +91–11–26853412
Email: info@escindia.com
Website: www.escindia.in

Key Players
Owing to India's competent workforce and favourable market conditions, a number of multinational enterprises operate in India in the IT and electronics sector. These include:

Chip Design
- Siemens   ■ Philips   ■ Sony
- Intel Corporation
- Texas Instruments

Communication Software
- Siemens   ■ Motorola
- Alcatel Lucent
- Nortel Networks Corporation

Systems Software
- Microsoft Corporation
- Oracle   ■ Google
- Hewlett Packard
- Compaq

Captive Support
- Yahoo (R&D centres)
- Accenture   ■ Dell   ■ HSBC
- GE Capital   ■ Fidelity

Some of the key Indian companies are:
- Tata Consultancy Services
- L&T Infotech Ltd.
- Polaris Software Ltd.

ELECTRONIC & COMPUTER SOFTWARE