IT & BPM

MARKET SIZE

Sector-wise Break-up of Export Revenue FY19

<table>
<thead>
<tr>
<th>Sector</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20E</th>
<th>FY21E</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT Services</td>
<td>35.0</td>
<td>37.0</td>
<td>41.0</td>
<td>41.0</td>
<td>44.0</td>
<td>45.0</td>
</tr>
<tr>
<td>BPM</td>
<td>15.4</td>
<td>23.0</td>
<td>23.0</td>
<td>22.4</td>
<td>25.0</td>
<td>28.0</td>
</tr>
<tr>
<td>Software Products and Engg. Services</td>
<td>32.0</td>
<td>86.0</td>
<td>54.0</td>
<td>23.0</td>
<td>23.0</td>
<td>23.0</td>
</tr>
<tr>
<td>Hardware</td>
<td>86.0</td>
<td>32.0</td>
<td>54.0</td>
<td>23.0</td>
<td>23.0</td>
<td>23.0</td>
</tr>
</tbody>
</table>

Growth in Export Revenue (US$ billion)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>IT Services</th>
<th>BPM</th>
<th>Software Products and Engg. Services</th>
<th>Hardware</th>
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</thead>
<tbody>
<tr>
<td>FY16</td>
<td>22.4</td>
<td>24.4</td>
<td>61.0</td>
<td>26.0</td>
</tr>
<tr>
<td>FY17</td>
<td>25.0</td>
<td>26.0</td>
<td>66.0</td>
<td>28.0</td>
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<tr>
<td>FY18</td>
<td>28.0</td>
<td>28.0</td>
<td>70.0</td>
<td>31.0</td>
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<tr>
<td>FY19</td>
<td>31.0</td>
<td>31.0</td>
<td>74.0</td>
<td></td>
</tr>
</tbody>
</table>

Indian IT Industry (US$ billion)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Domestic</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
<td>108</td>
<td>35</td>
</tr>
<tr>
<td>FY17</td>
<td>117</td>
<td>37</td>
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<tr>
<td>FY18</td>
<td>126</td>
<td>41</td>
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<tr>
<td>FY19</td>
<td>136</td>
<td>41</td>
</tr>
<tr>
<td>FY20E</td>
<td>147</td>
<td>44</td>
</tr>
<tr>
<td>FY21E</td>
<td>150</td>
<td>45.0</td>
</tr>
</tbody>
</table>

Note: - E- Estimated

SECTOR COMPOSITION

SECTOR-WISE BREAK-UP OF INDIAN IT MARKET (US$ BILLION) FY19

<table>
<thead>
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<th>FY20E</th>
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KEY TRENDS

- Growing demand: Expanding economy to propel growth in local demand. Strong growth in demand for export from new verticals.
- Global Footprint: Indian IT firms have delivery centres across the world and are well diversified across verticals such as BFSI, telecom and retail.
- Policy Support: In Union Budget 2021, the allocation for IT and telecom sector stood at Rs. 53,108 crore (US$ 7.31 billion).
- Competitive Advantage: A preferred destination for IT & BPM in the world, it continues to be a leader in the global sourcing industry with 52% market share (as of FY20) in services exports from the country.

GOVERNMENT INITIATIVES

Make in India

- Phased Manufacturing Programme (PMP)
- Simplified Other Service Provider (OSP) guidelines

ADVANTAGE INDIA

- IT & BPM
- SECTOR WISE BREAK-UP OF INDIAN IT MARKET (US$ BILLION) FY19
- SECTOR WISE BREAK-UP OF EXPORT REVENUE FY19
- GROWTH IN EXPORT REVENUE (US$ BILLION)
- INDIAN IT INDUSTRY (US$ BILLION)

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