

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1736
ANSWERED ON:30.11.2009
SOFTWARE EXPORTS
Gaddigoudar Shri P.C.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the total quantity and value of software exports from the country during the last three years;
- (b) the details of countries which are importing software from India; and
- (c) the steps being taken to boost software exports from the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) Software exports cannot be quantified. The value of software exports from the country during the last three years is given below:

Year Value of export
US\$ Million Rs. Cr

2006-07	33757	146000
2007-08	43467	175000
2008-09	49539	227834

(b) Major destinations of India's software and services exports during the last three years are as under:

Country FY 2007 FY 2008 FY 2009
(%) (Approx.) (%) (Approx.) (%) (Approx.)

USA	61.4	60.0	60.0
UK	17.8	18.5	17.5
Continental Europe	12.0	13.0	12.5
Asia Pacific Countries	6.4	7.0	7.5
Rest of World	2.0	2.0	2.5

(Source : NASSCOM)

(c) To enable the Indian ICT product and services firms to overcome the unfavourable global market conditions, Government of India has announced stimulus packages which include following incentives:

1. Government back-up guarantee to Export Credit Guarantee Corporation of India Limited (ECGC) to the extent of Rs. 350 crore to enable it to provide guarantees for exports to difficult markets / products.
2. An additional allocation of Rs. 350 crore for export incentive schemes.
3. To restore Duty Entitlement Passbook Scheme (DEPB) rates to those prevailing prior to November, 2008 and extension of the DEPB Scheme till 31.12.2010.
4. Additional funds of Rs. 1100 crore to be provided for full refund of Terminal Excise Duty / Central Sales Tax.
5. Refund of service tax on foreign agent commissions of upto 10 percent of FOB value of exports and refund of service tax on output services while availing of benefits under Duty Drawback Scheme. The notification vide which the DEPB rates were slashed down was withdrawn in January, 2009.
6. Sun-set clauses for deduction in respect of export profits under sections 10A and 10B of the Income Tax Act being extended by one more year, i.e. for the financial year 2010-11.

7. Fringe Benefit Tax on the value of certain fringe benefits provided by employers to their employees to be abolished.

8. Scope of provisions relating to weighted deduction of 150 percent on expenditure incurred on in-house Research & Development to all manufacturing businesses being extended except for a small negative list.