

# India outsourcers see export growth slowing

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India's flagship information technology and business services sector forecast on Wednesday that export growth would slow in the next financial year amid global "economic uncertainties."

Exports from the sector are expected to increase by up to 14 percent to \$78 billion in the [fiscal year](#) that begins April 1, said the National Association of Software and Services Companies, or Nasscom.

That is down from an estimated 16 percent growth in the current year, the industry body said.

The slower growth outlook reflects "economic uncertainties" in the industry's key US and European markets that account for around 80 percent of the sector's revenue, Nasscom said.

"There is a tremendous amount of uncertainty and delayed decision-making," Nasscom chairman Rajendra Pawar told reporters, adding the body would review its forecasts in October.

Nasscom president Som Mittal said the sector was expanding into new markets such as [Latin America](#) and the Middle East as it seeks to propel revenue growth.

Domestic sales growth was expected to outpace export growth for the first time next year, Nasscom said.

The IT and business process outsourcing (BPO) sector employs 2.8

million workers, making it one of India's largest employers. Some 230,000 jobs had been added in the 2011/12 financial year, Nasscom said.

India held around 58 percent of the global outsourcing market in 2011, up from 55 percent in 2010, Nasscom said.

US and other foreign firms have been drawn to India by its vast English-speaking [workforce](#) and lower labour costs.

The outsourcing sector, which has been a crucial driver in India's transformation into a major [emerging market](#) economy, accounts for around five percent of [GDP](#).

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