GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS & INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 4095
TO BE ANSWERED ON: 07.04.2017

IT-ENABLED SERVICES

4095.   SHRI ANIL DESAI:

Will the Minister of Electronics & Information Technology be pleased to state: -

(a) whether IT-enabled services today encompass a much larger and more complicated set of activities than just IT solutions and back-office work;
(b) whether India should maximise the global opportunity that is emerging in this widely defined IT-enabled services (ITeS); and
(c) if so, the steps Government is taking to focus on the next generation of trade policy reforms that would ensure that markets remain open for such business?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI P. P. CHAUDHARY)

(a):   Yes, Sir. IT enabled services (ITeS), also called web enabled services or remote services   cover the entire gamut of operations which exploit Information Technology for improving efficiency and quality of services offered by an organization. Value addition due to IT enabled services could be in the form of customer relationship management, improved data management and analysis, improved look and feel, etc. According to National Association of Software and Services Companies (NASSCOM), ITeS industry has evolved over the years and has not only added scale, but has also matured significantly in terms of scope of service offerings, customer segments served and service delivery models, leading to a major transformation of business processes with industry moving ahead from efficiency to effectiveness.

(b):   Yes, Sir. Indian IT sector should maximise the global opportunity that is emerging in IT-enabled services. As per NASSCOM, India currently has over 700 Overseas Delivery Centres across 80 countries and offer flexibility in terms of business and pricing models.   The digital transformation taking place across businesses is a huge opportunity for India.   Currently, India has about 8,000 firms offering digital solutions with over 100 Centres for Excellence (CoEs) – emerging as the R&D hub for global MNCs in digital technologies. The Indian IT-ITeS industry revenue (excluding hardware) is estimated at US $ 141 billion in FY 2016-17 including exports of US $ 117 billion.

(c):   Government of India has taken various next generation reforms to make India an easy place to do business in. Goods & Service Tax (GST) is one of the big reforms that India is

undertaking to make India a 'Single market with Single Tax' across the country.   Various other efforts being made for the Information Technology Industry inter-alia include measures to streamline the tax regimes, removing red tape and improving the overall ease of doing business. Government initiatives such as Startup India and Digital India also promote e-governance and m-governance.   Besides, efforts are also being made to diversify presence in global markets which include Europe (besides UK which is a mature market), Africa, South America, Israel, Australia, China and Japan.

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