

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 136
TO BE ANSWERED ON: 02.02.2022

INFORMATION TECHNOLOGY HUBS

136. SHRI MANOJ TIWARI:
SHRI RAVI KISHAN:
SHRI RAVINDRA KUSHWAHA:
SHRI SUBRAT PATHAK:

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Government is considering to provide impetus to Information Technology Sector to accelerate the growth and help Services Exports to reach \$1 trillion at the end of decade and if so, the details thereof;
- (b) whether the Government has set any target regarding its merchandise export for the current fiscal year and if so, the details thereof and the steps taken by the Government to achieve the same;
- (c) whether the Government proposes to start Information Technology hubs in Tier-2 and Tier-3 towns and cities in the country to create jobs and uplift the Services Sector along with the development of the region and if so, the details thereof;
- (d) whether the Government has identified the location for establishing such Information Technology hubs and if so, the details thereof; and
- (e) the details of the funds sanctioned and released for the abovesaid purpose?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI RAJEEV CHANDRASEKHAR)

(a): Yes, Sir. Government of India (GoI) has taken various initiatives to provide impetus to Information Technology and Information Technology enabled Services (IT/ ITeS) sector in the country as detailed below:

- i. Software Technology Parks of India (STPI), an autonomous society under Ministry of Electronics and Information Technology is implementing Software Technology parks of India (STP) Scheme, which is a 100% export oriented Scheme for the development and export of computer software, including export of professional services using communication links or physical media. The exports by STPI registered IT/ ITeS Units for the year 2020-21 stands at Rs. 5.02 Lakh Crores. The industry is poised to grow to Rs. 6.71 Lakh Crores by 2025-26 at an estimated YoY growth of 6%.

- ii. Special Economic Zones (SEZs): The SEZ Act, 2005, supported by SEZ Rules, came into effect on 10th February, 2006, providing for simplification of procedures and for single window clearance on matters relating to central as well as state governments. The main objectives of the SEZ Act are:
- generation of additional economic activity
 - promotion of exports of goods and services
 - promotion of investment from domestic and foreign sources
 - creation of employment opportunities
 - development of infrastructure facilities
- iii. GoI has approved National Policy on Software Products-2019 with an aim to develop India as the global software product hub, driven by innovation, improved commercialization, sustainable Intellectual property (IP), promoting technology start-ups and specialised skill sets, for development of the sector, based on ICT has been approved. The objective of the policy is to create a robust Indian Software Product development ecosystem leading to ten-fold increase in India share of the Global Software product market and so as to generate direct and in-direct employment for 3.5 million people by 2025.
- iv. Next Generation Incubation Scheme (NGIS) has been approved to support software product ecosystem and to address a significant portion of National Policy on Software Product (NPSP 2019). It is envisaged to create a vibrant software product ecosystem to complement the robust IT Industry for continued growth, new employment and enhance competitiveness.
- v. Some other initiatives to promote IT sector exports include Future Skills PRIME, Market Development Initiative in Nordics and Africa Region, Market Outreach Initiatives etc. under Champion Sector Services Scheme.
- vi. Further, in order to promote trade in services including IT services, Department of Commerce follows a multi-pronged strategy which comprises seeking meaningful market access through multilateral, regional and bilateral trade agreements. Focused efforts are also being made to address mobility issues being faced by the service suppliers and resolve barriers if any, faced by the exporters and other stakeholders as a part of these agreements.

(b): Yes, Sir. A target of US\$ 400 billion for merchandise export for 200 countries and 31 Quick estimates commodity groups has been set by Department of Commerce for the year 2021-22, based on past trend, current scenario and policy dynamics in India and rest of the world. The steps taken by the GoI to achieve the same are as below:

- i. 'Districts as Export Hubs' (DEH) Initiative under which products and services with export potential have been identified in all districts of the country. An institutional mechanism has been set up in each District in the form of District Export Promotion Committees (DEPCs). The primary function of the DEPC is to prepare and act on District Specific Export Action Plans in collaboration with all the relevant stakeholders from the Centre, State and District levels;

- ii. A Central Sector Scheme 'Transport and Marketing Assistance (TMA) for Specified Agriculture Products' for providing assistance for the international component of freight, to mitigate the freight disadvantage for the export of agriculture products, and marketing of agricultural products, is under implementation.
- iii. Market Access Initiative (MAI) Scheme is an Export Promotion Scheme envisaged to act as a catalyst to promote India's exports on a sustained basis.
- iv. In addition, assistance to the exporters of agricultural products is also available under the Export Promotion Schemes of Agricultural & Processed Food Products Export Development Authority (APEDA), Marine Products Export Development Authority (MPEDA), Tobacco Board, Tea Board, Coffee Board, Rubber Board and Spices Board.
- v. Trade Infrastructure for Export Scheme (TIES) is operational from FY 2017-18 with the objective of assisting Central and State Government agencies for creation of appropriate infrastructure for growth of exports.
- vi. The Government has introduced the Remission of Duties and Taxes on Exported Products (RoDTEP). This scheme seeks remission of Central, State and Local duties/taxes/levies at different stages at the Central, State and local level, which are incurred in the process of manufacture and distribution of exported products, but are currently not being refunded under any other duty remission scheme.
- vii. Common Digital Platform for Certificate of Origin to facilitate trade and increase FTA utilization by exporters.
- viii. EPCs, Commodity Boards and India's mission abroad are actively promoting India's trade, tourism, technology and investment goals.

(c): STPI has established 62 STPI centres across the country, of which 54 centres are located in Tier II and Tier III cities. State-wise list of existing STPI Centres is at **Annexure-I**.

To create employment opportunities and dispersal of IT/ITES industry in small cities and towns (excluding metro locations), Government had launched two BPO promotion schemes, namely India BPO Promotion Scheme (IBPS) and North East BPO Promotion Scheme (NEBPS). These schemes aim to incentivize setting up of 53,300 seats BPO/ITES operations by providing financial support up to 1 lakh per seat in the form of viability gap funding. Since the inception of these schemes, around 250 units have set up BPO/ITES operations across 27 States/UTs of the country, providing direct employment to over 47,000 persons. Under these schemes, the disbursements of financial support are on reimbursement basis directly linked with the objective i.e. employment generation by the units.

(d): Yes, Sir. The State-wise list of approved STPI Centres is at **Annexure-II**.

(e): The STPI centres are being set-up by STPI from its own internal accruals as per the extant policy of setting-up of new STPI centres, no funds are being sanctioned or released by the Union

Government for this purpose. Till now, financial support of Rs. 80 crores has been disbursed to BPO/ITES units under IPBS and NEBPS schemes.

Annexure-I**State-wise list of existing STPI centres**

S. N	State	Centre Name
1.	Andhra Pradesh	Kakinada
2.		Tirupati
3.		Vijayawada
4.		Vizag
5.	Assam	Guwahati
6.	Bihar	Patna
7.	Chhattisgarh	Bhilai
8.	Gujarat	Gandhinagar
9.		Surat
10.	Haryana	Gurgaon
11.	Himachal Pradesh	Shimla
12.	Jammu and Kashmir	Jammu
13.		Srinagar
14.	Jharkhand	Ranchi
15.		Deoghar
16.	Karnataka	Bengaluru
17.		Hubli
18.		Mangalore
19.		Manipal
20.		Mysore
21.	Kerala	Thiruvananthapuram
22.	Madhya Pradesh	Gwalior
23.		Bhopal
24.		Indore
25.	Maharashtra	Aurangabad
26.		Kolhapur
27.		Nagpur
28.		Nasik
29.		Mumbai
30.		Pune
31.	Manipur	Imphal
32.	Meghalaya	Shillong
33.	Mizoram	Aizawl
34.	Nagaland	Kohima
35.	Odisha	Berhampur
36.		Bhubaneswar
37.		Rourkela
38.	Pondicherry	Pondicherry
39.	Punjab	Mohali
40.	Rajasthan	Jaipur
41.		Jodhpur

S. N	State	Centre Name
42.	Sikkim	Gangtok
43.	Tamil Nadu	Chennai
44.		Coimbatore
45.		Madurai
46.		Tirunelveli
47.		Trichy
48.	Telangana	Hyderabad
49.		Warangal
50.	Uttar Pradesh	Allahabad
51.		Kanpur
52.		Lucknow
53.		Noida
54.		Meerut
55.	Uttarakhand	Dehradun
56.	West Bengal	Durgapur
57.		Haldia
58.		Kharagpur
59.		Kolkata
60.		Siliguri
61.	Tripura	Agartala
62.	Goa	Goa

Annexure-II

List of Upcoming STPI centres

State	S.N	Location
Madhya Pradesh	1	Chhindwada
	2	Jabalpur
Punjab	3	Amritsar
Jharkhand	4	Dhanbad
	5	Jamshedpur
	6	Bokaro
Uttar Pradesh	7	Agra
	8	Varanasi
	9	Gorakhpur

Kerala	10	Kochi
Arunachal Pradesh	11	Itanagar
Odisha	12	Balasore
	13	Sambalpur
	14	Jajpur
	15	Angul
	16	Koraput (Jayepore)
Bihar	17	Darbhanga
	18	Bhagalpur
Haryana	29	Panchkula
Gujarat	20	Bhavnagar
Karnataka	21	Davangere
Himachal Pradesh	22	Kangra

