# GOVERNMENT OF INDIA MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY LOK SABHA

# UNSTARRED QUESTION NO. 192

TO BE ANSWERED ON: 02.02.2022

#### IT BUSINESS

### 192. SHRIMATI SAJDA AHMED:

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

- (a) the details of the measures taken by the Government to reduce regulatory burden of doing business in Information Technology (IT) sector for enabling small entrepreneurs to compete with the big industries;
- (b) whether the Government proposes to open IT hubs in small towns and if so, the details thereof; and
- (c) the details of the policy adopted for promotion of Export Services by IT companies in India during the last three years?

### **ANSWER**

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

- (a): The Government of India (GoI) under the Hon'ble PM has made ease of doing business an important Government policy objective. It has taken various initiatives to reduce regulatory burden of doing business in Information Technology (IT) sector for enabling small entrepreneurs to compete with big industries. The details of such measures are as below:
  - Software Technology Parks of India (STPI), a registered society under Ministry of Electronics and Information Technology (MeitY) is implementing the Software Technology Parks (STP)/ Electronics Hardware Technology Parks (EHTP) 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. For ease of doing business, a single window clearance system has been provisioned under STP/EHTP Scheme for member units, enabling them to conduct exports operations at a pace commensurate with international practices. Further, STPI has been providing online services to its member units for availing statutory services in a time bound manner. For ease of doing business, STPI had made all the approvals in online mode to allow the employees of the STP/EHTP units to take duty free laptops etc. for working from Home.

In an attempt to further facilitate the IT industry to function in a seamless manner, STPI had eased the following two compliances:

- ✓ Prior permission to carry out sales in Domestic Tariff Area (DTA) was eliminated and substituted with self-declaration/ undertaking from the member unit.
- ✓ Import permissions required to be obtained by the unit on a case to case basis was substituted with periodic permissions (Quarterly/ Half-Yearly/ Annually).
- The terms and conditions of the Other Service Providers (OSPs) licensing which was earlier restrictive in nature (viz., establishing Point-to-Point VPN (PPVPN) connectivity, sharing pre-defined location of extended work from home employees and high security deposits) for companies offering work from home option to their employeeshas been relaxed by GoI to allow the employees to work from other locations than previously shared address.

Department of Telecommunications (DoT), M/o Communications has issued new guidelines on 5<sup>th</sup>November, 2020 to reduce the compliance burden for BPO and other IT enabled service providers.

- M/o Labour& Employment has launched SAMADHAN (Software Application for Monitoring And Disposal, Handling of Industrial Disputes) portal to empower MSMEs across the country to register and track grievances related to delayed payment and settlement of disputes;
- M/o Micro, Small and Medium Enterprises (MSME) has created asingle window system called CHAMPIONS (Creation and Harmonious Application of Modern Processes for Increasing the Output and National Strength) to put up and promote a unified, empowered, robust, bundled and technology driven platform for helping and promoting the Micro, Small and Medium Enterprises (MSMEs) of the country.
- (b): Yes, Sir. STPI has established 62 STPI centres across the country, out of which 54 are in Tier-II and Tier III locations including small towns. The list of STPI centres is at **Annexure-I**. Further, 22 new STPI Centre in Tier-II and Tier-III locations have been approved by GoI. List of approved STPI centres is at **Annexure II**.

To create employment opportunities and dispersal of IT/ITES industry in small cities and towns (excluding metro locations), GoI 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.

(c): Foreign Trade Policy (FTP), notified under Foreign Trade (Development & Regulation) Act, 1992 by Directorate General of Foreign Trade, Department of Commerce, M/o Commerce and Industry support manufacturers and service sectors including export services

by IT companies in India with special emphasis on trade facilitation and improving ease of doing business. Current, <u>FTP 2015-2020</u> (applicable/ extended till March, 2022) had introduced new schemes for exporters of India called Merchandise Exports from India Scheme (MEIS) and Service Exports from India Scheme (SEIS).

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## 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	

S. N	State	Centre Name		
41.		Jodhpur		
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	

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