

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

STARRED QUESTION NO:142
ANSWERED ON:08.03.2010
INVESTMENT IN IT SECTOR
Scindia Smt. Yashodhara Rajee

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

- (a) the strategy adopted by the Government for the development of human resource in Information Technology (IT) in the States;
- (b) whether the investment in the IT Sector has been confined to the cities having educational institutions of high quality;
- (c) if so, the details thereof and the reasons therefor; and
- (d) the steps taken by the Government to promote investment in IT Sector in upcoming cities/towns, remote and far-flung areas?

Answer

MINISTER FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY(ANDIMUTHU RAJA)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 142 FOR 08.03.2010 REGARDING INVESTMENT IN IT SECTOR

(a): The initiatives for development of human resource in the Information Technology inter alia include the following: Government has approved the National Mission on Education through Information and Communication Technology as a Centrally Sponsored Scheme to leverage the potential of ICT, in teaching and learning process for the benefit of all the learners in Higher Education Institutions in any time any where mode.

The Government has set up four Indian Institutes of Information Technology (IIITs). A proposal to set up twenty (20) new IIITs mostly in Public Private Partnership mode is under consideration of the Government.

The Government has taken steps to set up a high speed (of gigabit capabilities) National Knowledge Network (NKN) to interconnect institutions of higher learning. NKN aims to facilitate creation, acquisition and sharing of Knowledge resources among Universities, Libraries, Laboratories, Hospitals and Agricultural Institutions across the country.

Further, the Department of Information Technology (DIT) has also taken initiatives which are primarily directed towards capacity building in certain niche areas to meet the emerging needs of knowledge-based industry complementing the efforts of the Ministry of Human Resource Development (MHRD). In line with this, the efforts of DIT include:

Projects in the area of Information Security and VLSI design.

Scheme of Manpower Development for Software Export Industry.

Government has approved setting up of new DOEACC centres/ Regional Institutes of e-Learning and Information Technology (RIELIT).

In addition, two societies of DIT viz. Centre for Development of Advanced Computing (CDAC) & DOEACC Society are engaged in providing training in the formal & non-formal sectors of Information, Electronics and Communication Technology (IECT) through their various centres, franchisees/ accredited centres in the country.

Under the National Skill Development Policy announced by the Government, the DIT has been given a target to train 10 million persons by the year 2022 for providing IT skills by scaling up the operations of its societies viz. CDAC and DOEACC Society.

(b) to (d): IT Software & Services companies set up their operations in locations and plan their investment driven by business needs.

As per National Association of Software and Services Companies (NASSCOM), the top technology and business services exporting states of Andhra Pradesh, Tamil Nadu, Maharashtra, Karnataka, Delhi, Haryana and UP, which account for about 90 per cent of IT-ITES exports, expanded higher education almost seven-fold between 1998 and 2007 as compared to the other states.

Software Technology Parks of India (STPI), an autonomous society under Department of Information Technology (DIT) has already setup 51 STPI centres (as per the list attached as Annexure) across the country, out of which 7 centres are in Metros and balance 44 centers are in Tier II and Tier III cities. As per the current policy for setting up of new Software Technology Parks of India (STPI) centre, the State Government has to make available 3 acres of land, 10,000 sq. ft. of built up space and grant-in-aid of Rs.1 crore to STPI. DIT provides a seed capital of Rs.50 Lakhs to STPI for setting up of new STPI centres. A feasibility study is conducted by STPI jointly

with the State Government to evaluate the export potential and commercial viability of the proposal.

The policy for investment including Foreign Direct Investment is quite liberal in the IT Sector. However, the decision regarding investment including its location is determined by the investor based on the techno-economic considerations.

ANNEXURE

LIST OF STPI CENTRES

Sl.No.	States	STPI Centres
1	Andhra Pradesh	Hyderabad
2		Tirupati
3		Vijayawada
4		Vizag
5		Warangal
6		Kakinada
7	Assam	Guwahati
8	Chhattisgarh	Bhilai
9	Gujarat	Gandhinagar
10	Himachal Pradesh	Shimla
11	Jammu & Kashmir	Srinagar
12	Jammu	
13	Jharkhand	Ranchi
14	Karnataka	Bangalore
15		Hubli
16		Mangalore
17		Manipal
18		Mysore
19	Kerala	Thiruvananthapuram
20	Madhya Pradesh	Indore
21	Maharashtra	Aurangabad
22		Nagpur
23		Nasik
24		Navi Mumbai
25		Kolhapur
26		Pune
27	Manipur	Imphal
28	Orissa	Bhubaneswar
29		Rourkela
30	Puducherry	Puducherry
31	Punjab	Mohali
32	Rajasthan	Jaipur
33		Jodhour
34	Sikkim	Ganqtok

- 35 Tamil Nadu Chennai
- 36 Coimbatore
- 37 Madurai
- 38 Thirunavelli
- 39 Trichy
- 40 Uttar Pradesh Kanpur
- 41 Lucknow
- 42 Noida
- 43 Allahabad
- 44 Uttarakhand Dehradun
- 45 West Bengal Kolkatta
- 46 Durgapur
- 47 Khargapur
- 48 Siliguri
- 49 Haldia
- 50 Bihar Patna
- 51 Meghalaya Shilong