

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

UNSTARRED QUESTION NO:1946  
ANSWERED ON:22.11.2010  
BAN ON SOFTWARE COMPANIES  
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**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

- (a) whether some foreign countries including USA as a part of protectionism banned the Government outsourcing of software activities to Indian Companies;
- (b) if so, whether it badly impacts the prospects of Indian Software companies which are mainly located in Bangalore;
- (c) if so, the details thereof; and
- (d) the steps taken/being taken by the Government in this regard?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SACHIN PILOT)

- (a): As per the recent Executive Order by Governor of Ohio, no public funds should be spent on services provided off-shore (outside the United States).
- (b) and (c): The move against offshoring is a concern to India, however, as per National Association of Software Services Company (NASSCOM) Indian IT industry do not foresee any significant impact as a result of this order since Federally funded projects represent a small fraction in the overall demand for offshored services.
- (d): As per the inputs made available by the Ministry of Commerce & Industry, Department of Commerce, India's concerns have been taken up with the US side in the India-US Trade Policy Forum as well as in other Bi-lateral engagements with the US side.