

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

UNSTARRED QUESTION NO:3065

ANSWERED ON:29.11.2010

PROVISION OF STPI SCHEME

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

- (a) whether the government has decided to discontinue the Software Technology Parks of India (STPI) scheme from 2012;
- (b) if so, the details thereof;
- (c) whether the some backward States including Madhya Pradesh have been substantially benefited in terms of investment in information technology under the STPI scheme;and
- (d) if so, the details thereof ?

**Answer**

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

(a) and (b): The Software Technology Park(STP) Scheme is an ongoing scheme as per the Foreign Trade Policy. So far as indirect taxes are concerned, presently there is no proposal to discontinue indirect tax benefits to IT companies located in Software Technology Park of India. So far as direct taxes are concerned, the tax benefits to units located in Software Technology Parks under the provision of Section 10A of the Income Tax Act, 1961 which was initially available upto assessment year 2010-11 has been extended upto assessment year 2011-12.

(c) and (d): Software Technology Parks (STP) Scheme has played a pivotal role in the success of the IT- ITES industry in terms of investment and generating exports. STP Scheme is a very unique scheme designed to promote the software industry including innovations and growth of Start-Ups and SMEs without any locational and minimum area constraints. STPI has set up 52 STPI Centers across the country, out of which 45 Centres are in Tier-II and Tier III locations. List of STPI centers is given in Annexure I. The state-wise exports data including Madhya Pradesh for the last three years by the STP units is given in Annexure II.