

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

UNSTARRED QUESTION NO:371
ANSWERED ON:23.11.2011
RECESSION IN IT COMPANIES
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether new recruitment by Indian IT companies witnessed a slowdown during the last two years due to recession;
- (b) if so, the details thereof, State-wise including Andhra Pradesh; and
- (c) the steps taken/being taken so far to improve the situation?

Answer

MINISTER OF STATE FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SACHIN PILOT)

(a) and (b): As per National Association of Software and Services Companies (NASSCOM), there was a marked slowdown in recruitment in Financial Year (FY) 2009-10 specifically and also towards end of FY 2008-09 due to recession in developed economies. The data relating to employment levels (directly employed by the IT/ITES industry) in this industry and the incremental job addition for the last three years is as under :

Financial Year (FY)	2008-09	2009-10	2010-11
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Total Employee Head Count	21.96 lakhs	3.00 lakhs	25.40 lakhs
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Net additional Employment created in FY	1.90 lakhs	1.00 lakhs	2.40 lakhs
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IT/ITES employment data is not being maintained State-wise. As per Govt. of Andhra Pradesh, there has been growth in recruitment by IT Companies in the State of Andhra Pradesh.

(c): A number of IT/ITES SEZs are coming up in the country, which would further generate employment in the sector.