

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

UNSTARRED QUESTION NO:4100
ANSWERED ON:05.09.2012
OFFSHORE OUTSOURCING
Lagadapati Shri Rajagopal

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

- (a) whether the United States of America (USA) ploys to stop offshore outsourcing, particularly from India;
- (b) if so, the action taken by his Ministry and NASSCOM to address the issue;
- (c) whether any consultations in this regard have been held in the recently held India-US ICT Working Group Meeting; and
- (d) if so, the details and outcome thereof?

Answer

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

(a): As per the Ministry of External Affairs, the US Congress and the US Administration have taken several measures to curb offshore outsourcing to foreign countries including India. These measures include hike in visa fees and provisions which restrict public spending on procurement of those services generated elsewhere and higher rejection rate of visa by USA.

(b) to (d): Government of India has expressed concern at US protectionist measures both publicly and at various inter-governmental mechanisms including India-US Strategic Dialogue; Trade Policy Forum and the bilateral ICT Working Group. Government, in collaboration with NASSCOM and IT companies, have made efforts to reach out to the U.S. Congress to educate members on the mutually beneficial nature of the India-U.S. outsourcing relations, and on the contribution of the Indian companies to employment in the US and profits and global competitiveness of the U.S. companies. During the India-US ICT Working Group Meeting held in June, 2012, Government and NASSCOM emphasized strongly on urgent redressal of all these issues including the higher rejection rate of visa with the US Government. US Government has taken note of the issues.