

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

STARRED QUESTION NO:209  
ANSWERED ON:11.03.2015  
DIGITAL INDIA PROGRAMME  
Karunakaran Shri P.

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

- (a) whether the Government proposes to allow Foreign Direct Investment (FDI) in Digital India programme and also allow private participation in the initiative;
- (b) if so, the details thereof;
- (c) whether the programme also aims to provide employment to the youth; and
- (d) if so, the details thereof and the role likely to be played by the States in this initiative?

**Answer**

MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD)

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

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 209 FOR 11.03.2015 REGARDING DIGITAL INDIA PROGRAMME

(a)and (b): There is no separate FDI policy for Digital India Programme. According to Consolidated FDI Policy 2014, 100% FDI is permitted under the automatic route in Electronics and Information Technology sector, which means that foreign investment in these sector do not require any specific prior approval from the Government. As regard Telecom Services (including Telecom Infrastructure Providers) 100% FDI is permitted, with upto 49% under automatic route and beyond 49% through the Government route. The Government is implementing Digital India Programme through co-operation of various stakeholders e.g. Central Government, State Government, Public Sector Units and Private companies etc. involving open tender system and Public Private Partnership (PPP) mode etc.

(c) and (d): Under the Digital India Programme, a North East BPO Promotion Scheme (NEBPS) has been approved to incentivize BPO Operations in North East Region (NER) for creation of employment opportunities for the youth and growth of IT-ITES Industry. The Administrative Approval for implementation of the NEBPS to incentivize establishment of 5000 seats, with capital support in the form of Viability Gap Funding (VGF), with an outlay of Rs. 50 crore (Rupees fifty crore only) for remaining period of 12th Five Year Plan i.e. 31.03.2017 has been issued on 30th January 2015. The Software Technology Parks of India (STPI), an autonomous society under the Department of Electronics and Information Technology (DeitY), Government of India, shall be the Nodal Agency for implementation of the NEBPS.

Further, another Scheme for promotion of BPO Operations, for other parts of the country, particularly small town, is contemplated for creation of employment opportunities and growth of IT-ITES Industry. The proposed Scheme would, inter-alia, lay down the appropriate guidelines in regard to eligibility, location, nature of support to the Industry and other related aspects. This Scheme would be operationalized, after obtaining necessary approvals of the Competent Authority.