

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

UNSTARRED QUESTION NO:1491
ANSWERED ON:04.03.2015
SOFTWARE TECHNOLOGY PARKS
Patil Shri Bheemrao Baswanthrao

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

- (a) whether rollback of tax benefits have forced small companies to exit Software Technology Parks of India (STPIs);
- (b) if so, the details thereof; and
- (c) the corrective steps taken by the Government in this regard?

Answer

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

(a) and (b): As per STPI there has been an overall decline in the number of registered STP units after the discontinuance of income tax benefits w.e.f. 01.04.2011 under Section 10A of the Income Tax Act. The number of registered exporting STP units over the last three years is given below :

Year	2011-12	2012-13	2013-14
Number of Exporting Units under STP Scheme	4542	3755	3089
Source :	STPI		

(c): However, STP Units continue to avail various other benefits, in accordance with the Foreign Trade Policy which, inter-alia, include Customs Duty exemption on imported goods, reimbursement of Central Sales Tax (CST) and Excise Duty exemptions on procurement of indigenously manufactured goods. Further, the Department of Commerce (DOC), Ministry of Commerce & Industry through Marketing Development Assistance (MDA) and Market Access Initiatives (MAI) Scheme assists the exporters especially Small & Medium Enterprises (SMEs) for export promotion activities abroad. Further, the exports reported by STP units have been progressively growing and new STP Units are also being registered under the scheme.