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

UNSTARRED QUESTION NO:92
ANSWERED ON:24.11.2014
SETTING UP OF STPI
Sreeramulu Shri B.

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

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(a) whether the Government has set up the Software Technology Parks of India (STPI);

(b) if so, the details of progress made by the STPI in achieving its aims and objectives during the last three years and the current year;

(c) whether the desired targets have been achieved by the STPI;

(d) if not, the reasons therefor; and

(e) the steps taken by the Government in this regard?

# <span style="color:red">Answer</span>

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

(a) and (b): Software Technology Parks of India (STPI) was set up in 1991 as an autonomous society under the Department of Electronics and IT (DeitY), Ministry of Communications & IT, Government of India. STPI has set up 53 STPI centres across the country. A list of STPI centres is at Annexure.

The main objective of STPI is to promote of IT-ITES exports from the country. The services rendered by STPI centres include statutory services to STP units as per the Foreign Trade Policy, Datacom Services and the Incubation Facilities. The STPI Centres have been rendering aforesaid services to their clients. The exports made by STPI registered IT/ ITES units have increased from INR 251498 Crore in FY 2012-13 to INR 2,73,312 Crore in FY 2013-14 registering a growth of 8.67%. The IT-ITeS Exports made by STPI registered IT/ITeS units during the past three years and the current year are as follows:

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FY  2011-12  2012 -13 2013 -14 2014-15(till Oct 14)
Exports in 2,26,712 2,51,498 2,73,312 1,46,449
Rs. Crore.
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(c): As per policy for setting up a new STPI centre, on receipt of a proposal from the State Government, STPI jointly with the State Government concerned conducts a feasibility study to evaluate the export potential and commercial viability of the proposal. Since the initiative for setting up a STPI centre lies with the State Government, it is not feasible for STPI to set targets for setting up of new STPI centres.

(d): Does not arise.

(e): Under the Software Technology Parks (STP) scheme, which is administered by the Software Technology Parks of India (STPI), the IT-ITES units are eligible for various benefits such as 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) Schemes assists the exporters especially Small & Medium Enterprises (SMEs) for export promotion activities abroad. DOC has notified 235 IT-ITES specific Special Economic Zones (SEZs). Currently, the SEZs units are eligible for tax benefits as per Section 10AA of the Income Tax Act for a period of 15 years in a phased manner. Further, the SEZ rules were also modified to meet some of the specific sectoral characteristic of the IT sector. Recently, the Government has removed the minimum land requirement for setting up SEZ for IT/ITeS, and the minimum processing area requirement is applicable as per category of the cities.