

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

UNSTARRED QUESTION NO:1195

ANSWERED ON:13.07.2009

REVIVAL OF IT SECTOR

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

- (a) whether the Information Technology (IT) and its enabled services Sector have been adversely affected by global recession, visa-curb and restriction on outsourcing by some foreign countries recently;
- (b) if so, the details thereof indicating the extent of slow down and losses in this Sector particularly Indian IT Sector;
- (c) whether the Government has formulated any action plan/scheme to bail out the IT sector; and
- (d) if so, the details thereof and the action taken thereon?

**Answer**

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

(a) and (b): The Indian IT and ITES sector has witnessed some slow down in comparison to its historical rate of growth. It is estimated that the growth rate of the IT and ITES sector during 2008-09 would be 16.3% as compared to around 30% in the last few years. The total export revenue of this sector is estimated at US \$ 47 billion in 2008-09, as compared to US \$ 40.4 billion in 2007-08.

(c) and (d): In order to tide over the slowdown in exports, in the budget 2009-2010 proposals, the Government has extended the Tax benefits under sections 10 A / 10 B of the Income Tax Act for the Software Technology Park(STP)units & 100% Export Oriented Units (EOU) in the IT sector by one more year i.e. for the financial year 2010-11.