

**Annual Plan 2013-14
Information Technology**

Subsequent to Allocation of Business (1st Amendment) Rules 2012, the following new functions have been assigned to Department of Information Technology (DoIT) :

- *Promotion of IT Industry in Punjab*
- *Policy for setting up of IT Parks and Knowledge Parks*
- *Policy for encouragement of IT enabled service industry*

The department will take necessary steps in consultations with various stakeholders in the state for promotion of IT industry, Development of IT parks and Knowledge Parks for attracting investments in IT and associated sectors in the state.

2. The department will seek consultancy and guidance from private sector / industry associations/ bodies for studying the best practices and success stories with objectives of promotion of investments from domestic and foreign sources; creation of employment opportunities and development of infrastructure facilities.

3. For the encouragement of IT enabled service (ITES) industry appropriate measures would be taken for developing skills and knowhow of youth of Punjab in the desired fields or areas for suitable placement within the state itself.

4. An outlay of Rs 27 crore is proposed for the Annual Plan 2013-14 for the IT Department to undertake various activities.

The detail requirements of schemes to be covered under sub-head “Information Technology” along-with required outlays for Annual Plan 2013-14 are given below:

(Rs. in Crores)			
Sr. No.	Code & Name of the Scheme	Proposed Budget Allocation	Capital Component
1.	IT-01: Development & Implementation of IT Parks/Knowledge Parks and IT enabled services industry	15.00	10.00
2.	IT-02: Creation of Departmental Infrastructure	2.00	1.70
3.	IT-03: Development of Human Resources in the field of IT/ITES	5.00	2.00
4.	IT-04: Promotion of IT/Knowledge Industry	5.00	2.50
TOTAL		27.00	16.20

Brief Description of schemes:

IT-01: Development & Implementation of IT Parks/Knowledge Parks and IT enabled services (ITES) industry:

Annual Plan 2013-14 – Rs. 15 Cr

The department proposes to identify suitable sites in the current financial year in the state to setup IT/Knowledge Parks/ ITES industry with the help of central and state level agencies and private parties involved in this task. The department will also provide assistance to government for establishing and managing infrastructural resources such as integrated infrastructure including international communication/incubating facilities for development IT exports. It will also prepare techno-economic feasibility report and detailed project reports as may be required for the development of the IT / ITeS parks and will assist State in preparation of master plan / layout plans for approved sites of IT / ITeS parks.

After an announcement by Union Minister for Communication & IT, the department has already decided for setting up of an STPI (Software Technology Parks of India) centre at Amritsar. Software Technology Parks of India (STPI) is an autonomous body owned by Government of India, Ministry of Communication and Information Technology and having promotional role viz. implementation of STP/EHTP (Electronic Hardware Technology Park) scheme, set-up and manage infrastructure facilities and to provide other service like technology assessment and professional training. As per current policy, the State Government has to provide following for setting up of new STPI centre.

- i. 3 acres of land
- ii. 10,000 sq. feet of built up space,
- iii. Grant-in-aid of Rs. 1 crore to STPI to partially defray the total project cost

The government has already identified and offered 2.72 acres of land at Focal Point at Amritsar for Public Building for setting up of STPI Centre at Amritsar. The estimated budget requirement for this project for the FY 2013-14 is as per following details:

SN	Item	Amount (Rs. in Cr)
1.	Cost of the land @Rs. 4400/-per sq. yd (with 10% additional cost for the corner plot) for 2.72 acre(=13500	Rs. 6.00

SN	Item	Amount (Rs. in Cr)
	sq. yd) Rs. 5,98,40,000/-	
2.	Estimated cost of construction of 10000 sq. ft @Rs. 2500 per sq. ft	Rs. 2.50
3.	Estimated Cost of rent per annum	Rs. 0.25
4.	Grant-in-aid of Rs. 1 crore to STPI to partially defray the total project cost	Rs. 1.00
	Total Estimated requirement for the FY 2013-14	Rs. 9.75

The department is also proposing to setup another STPI centre at Ludhiana in the FY 2013-14 for which an estimated sum of Rs. 5.00 crore is proposed. As such a total sum of Rs. 15 crore is required during the FY 2013-14 under this Plan Scheme.

IT- 02: Creation of Departmental Infrastructure

Annual Plan 2013-14 – Rs. 2 Cr

The department has been allotted new functions related to Promotion of IT Industry in Punjab, Policy for setting up of IT Parks and Knowledge Parks and Policy for encouragement of IT enabled service industry for which the department has to set up the required infrastructure accordingly to perform its new functions effectively and efficiently. Strengthening of departmental infrastructure will result in overall positive outlook of the department and will attract more private partners in India & abroad. An outlay of Rs. 2 Cr is proposed for the financial year 2013-14.

IT-03: Development of Human Resources in the field of IT/ITES

Annual Plan 2013-14 : Rs. 5 Cr

The above scheme has been transferred from Department of Industries & Commerce by the Planning Department upon amendment in Allocation of Business Rules. For the encouragement of IT enabled services (ITES) industry, appropriate measures would be taken for developing skill and knowhow of youth of Punjab in the desired fields for suitable placement within the state itself. The Govt. of India has formulated a National Skill Development Policy (NSDP) with aim of skill development in the country to support achieving rapid and inclusive growth. The state government also plans to implement this programme for the production of technical manpower in the field of IT/ITES for the benefit of industry and society.

The department also proposes to establish a number of knowledge centres at district level with an aim to provide job oriented trainings and other skill development courses for IT/ITES service industry. An outlay of Rs. 5 Cr is proposed under this scheme for Annual Plan 2013-14.

IT-04: Promotion of IT/ Knowledge Industry:

Annual Plan 2013-14 - Rs. 5 Cr

This scheme has also been transferred from Department of Industries & Commerce by Planning Department upon amendment in Allocation of Business Rules. With a view to promote and attract investment and trade, the department will seek consultancy and guidance from private sector / industry associations/ bodies for studying the best practices and success stories with objectives of promotion of investments from domestic and foreign sources; creation of employment opportunities and development of infrastructure facilities. In the process the department will study the existing IT parks set up by other state governments/ agencies through participation in trade fairs/ exhibitions/ visits / awareness programmes etc. The department will also carry out marketing campaigns. The department proposes to conduct technology assessment/ market analysis/ market segmentation to organize workshops/ exhibitions. Necessary steps will be taken in consultations with various stakeholders in the state for development of ICTE Industry and ICTE Corridors for attracting investments in ICTE and associated sectors in the state and will primarily focus to bridge the gap between ICTE industry and government in the State. The department will formulate and implement strategies for attracting investment through broad-based incentives that promote IT / ITeS service industry and supports research & development in the sector. It will focus on amendments of existing policies with an objective to reduce obstacles and handing out incentives to all investors on the one hand, and setting up conditions to selectively promote strategic investments on the other, given the present context. The department will also examine regarding provision of favorable tax incentives and other complimentary giveaways as a step to attract IT investments in the State from private parties.

Under Industrial Policy, 2009 and the new proposed Electronic Equipment Manufacturing Policy the following incentives are provided for Promotion of IT/ Knowledge Industry in the State:-

- Capital subsidy @ 20% of fixed capital investment in a project, subject to ceiling of Rs. 20 lac to be available to first 10 approved SME units in the IT parks.
- The Government will reimburse 20% of expenditure incurred by the IT software company for obtaining quality certification for SEI CMM, eSCM and COPC and other specified certifications in the above policy subject to ceiling of Rs. 4.00 lac. 25 companies will be covered.
- The State Government will set up a development funds for promotion of IT/ Knowledge Industry/Electronic Manufacturing.
- 100% reimbursement for stamp duty and registration fee on land directly acquired by the developers for construction of IT Park on IT unit/ company to develop their own campuses only after IT park duly notified by Government.
- IT units/ parks would be charged based on actual units consumed and not on the connected load. Exemption will amount to Rs. 25 lakh to Rs. 50 lakh.
- Other financial benefits will be provided as mentioned in the above policies

An outlay of Rs. 75000.00 lac is provided for 12th Five Year Plan. An outlay of Rs. 5 Cr is proposed for Annual Plan 2013-14.