

Hon'ble MR. SPEAKER, Sir,

With your permission, I beg to move the following Demand for the financial year 2008-2009.

On the recommendation of the Governor, I beg to move that a sum of Rs. 72,13,17,000/- may be granted for expenditure vide Demand No. 31, Major Head : "2251-Secretariat-Social services-00-090-Secretariat", "2251-Secretariat-Social services-00-789-Special Component Plan for SC" & 2251-Secretariat-Social services-00-090-796-Tribal Areas Sub-Plan (Rs. 46,03,17,000/-) Major Head : "4070-Capital Outlay on Other Administrative Services" (Rs. 22,00,00,000/-), Major Head : "4859-Investment in Public Sector and other Undertakings" (Rs 1,50,00,000/-) and Major Head : "6859-Loans for Public Sector and other Undertakings"(Rs. 2,60,00,000/-). This is inclusive of a sum of Rs. 24,04,40,000/- only already voted on account.

In moving this grant, I would like to mention that the IT sector has been registering remarkable growth in the State for the last few years. In the year 2006 – 2007 IT exports from the State registered a growth rate of 46% against the national average of 32%.

2. Presently there are around 500 IT & ITeS companies, including both STPI registered and unregistered companies employing about 60,000 software professionals. Almost 80% of the companies are in the SME sector. However in terms of employment and exports the larger companies account for the major share. The export from this sector is now inching towards 1 bln. US\$ mark. The export from STPI recorded considerable growth from Rs 1741 crores in 2004-05 to Rs 2167 crores in 2005-06 and Rs 3169 crores in 2006-07. Taking together the exports from SEZ and other non STPI units, the total exports during the year 2006-07 exceeded Rs 3600 crores. NeoIT – one of the top global consultants of US in their recent survey has declared Kolkata emerging as the 3rd most attractive destination by 2010. Tholon Inc. survey also predicts Kolkata as an emerging top tier II city for IT and ITeS sector.

3. We estimate a growth rate of 45% for export revenue during 2007 – 2008 and it is expected that the same growth rate will be maintained during the next couple of years enabling us to get closer to realizing State's IT vision. In view of the strong growth in the IT sector and major expansion taken up by existing big players like TCS, IBM, Wipro, Cognizant, Genpact HSBC, Cap Gemini, PwC, Siemens Satyam etc. and new capacities being created by developers such as DLF, Unitech, Shapoorji & Pallonji, Sriram Group etc, it is expected that the existing export growth rate will not only be maintained but is likely to be bettered in the near future. We expect an export revenue of Rs 4750 crores in 2007-08, Rs 7100 crores in 2008-09 and Rs 10,700 crores in 2009-2010.

4. In terms of employment generation, in the year 2006 – 2007 approximately 15,000 new jobs were created in this sector. It is expected that the figure for the year 2007 – 2008 will be even higher. The years 2004-05, 2005-06 and 2006-07 witnessed a new employment generation of about 9000, 12000 and 15000 respectively.

5. Taking into account the expansion plans of the existing companies and the infrastructure being developed for the IT / ITeS industry (over 20 million sq. ft) to be ready by 2010 – 2011, there will be an additional creation of about 2,00,000 jobs within the 11th Five Year Plan Period. New projects like Jagdishpur IT Hub and the development of IT parks

in various satellite towns like Siliguri, Durgapur, Kalyani, Kharagpur and Haldia will give a further boost to employment and revenue generation.

6. In addition to the remarkable growth in the field of Software, the State is now taking initiative for the development of Hardware sector as well. In this regard, an India Design Centre is being developed in Salt Lake which will provide the entire ecosystem required for the development of Semi Conductor Industries and will also have a facility for prototype chip manufacturing, training and PG courses in VLSI, incubation center and space for commercial companies. Besides, an advanced IT Park is being proposed at Kharagpur to leverage the presence of IIT Kharagpur for the development of high end technology including hardware industry with emphasis on research & development.

7. Land amounting to around 332 acres would be acquired in the first phase in Jagadishpur Mouza under Rajarhat Police Station in the district of North 24 Parganas for developing an IT hub. It will be followed by acquisition of another parcel of 300 acres in adjoining area in the 2nd phase.

8. Based on recommendation of study conducted by Price Water house Coopers (PWC), the consultant engaged by the Department of I.T., steps have already been taken to develop Siliguri, Kalyani, Durgapur, Haldia and Kharagpur as the satellite IT hubs. These places are being promoted for investment by existing IT companies as well as the new IT players who intend to enter into the state.

9. While WIPRO facility in Kolkata is an existing SEZ, six more SEZs (M.L. Dalmiya & Company, Enfield, Oval, Unitech, Shapoorji Pallonji, Bata India) have also been notified till date. Groups like Bengal Shriram, Riverside, DLF, Bengal Shristri , TCS, Salanpuria, Orion etc. have also received formal approval and are in the process of setting up IT SEZs in the state.

10. The State Government is in the process of establishing 'Incubation Centres' in various parts of the state under the initiative of WBEIDC Ltd. The Department has already initiated a proposal for establishment of 'Incubation Centres' at Taratolla, Siliguri and Durgapore in phase -I. These centres will help start up IT & ITeS units.

11. With a view to provide industry ready professionals for the IT / ITeS sector the government has taken up an ambitious scheme of putting up Finishing Schools in the State. Finishing Schools at Taratolla, Kolkata and Durgapur are already operational and more such schools are envisaged for the next financial year at different locations in the State including Siliguri, Kalyani, Kharagpur etc. These schools will train graduates to equip them with the required skills for the IT industry. In view of the imminent shortfall of manpower for the IT industry, this initiative of the State Government will greatly help the industry in getting skilled workers.

12. The State Government has formed a Society for Natural Language Technology Research, whose main objective is to encourage use of Bangla language through standardization of its usage and applications.

13. The State Government has also formed a Society of Open Technology & Applications. The main objective is to provide organized support to the users of open source softwares at Government Departments, Non-Government institutions and academic institutions. The main deliverables from the Institute are to impart training, assist migration

from proprietary software to open source and ultimately to open standard based solutions providing technical support and documentation.

14. During 2007-08, the Government completed the work of expansion of WBSWAN upto GP level in Bardhaman district as a pilot project which has been duly inaugurated by Hon'ble Chief Minister on 7th February 2008. This would establish connectivity between State Head Quarter and the District, Sub-Divisions, Blocks and GPs, thus enabling transfer of voice data and video upto the GP level. The video conferencing facility has been created with the help of a specially developed software decreasing the cost drastically. This arrangement of video conference between state headquarters and GP with the use of software is completely new and first time in India. The cost will be further decreased by using the open source technology.

15. The Government has also taken up the work of extending WBSWAN connectivity upto the Block level in all other districts along with Horizontal connectivity between various Government Departments at the District, Sub-Divisional and Block level as well as at 24 office buildings in Kolkata.

16. The various e-governance 'applications' of the Departments like Treasuries, Commercial Tax, Health, WB Police, Agriculture etc are being made available on this WBSWAN backbone.

17. During this period, steps have been taken for preparation of Detailed Project Reports and their subsequent implementation in the 15 Government Departments under the Mission Mode Project of National e-Governance Plan. Already 5 Departments have submitted their DPR to their respective line Ministries, in GOI. The MMP Departments are P&RD, L&LR, Agriculture, Registration, Treasury, Cooperation, Health &FW, School Education, Labour , Commercial Taxes, Transport, Municipal Affairs, Police (WBP & KP), Women & Child Development & Social Welfare, Food & Supplies.

18. The introduction of ICT tools for education of SC children in 65 schools in the districts of Bankura and Bardhaman has been completed during this period.

I narrate hereunder in brief the important programmes which the Deptt of IT, Govt of West Bengal has decided to undertake during 2008-09.

19. The State Government is going to extend the WBSWAN connectivity up to the Block level – the intermediate tier of the Panchayati Raj system in West Bengal. The work is expected to be completed within FY 2008-09.

20. The State Government is going to establish 6797 Common Service Centres (CSCs) throughout the State where citizen centric services would be available online. The Panchayat & Rural Development Department, GoWB is the Nodal Department in this respect and the scheme is being developed on PPP model.

21. The work of State Data Centre will start during FY 2008-09.

22. The ICT tools for education of SC children in 50 schools in the district of North 24 Parganas would be completed during this period.

23. Redesigning of the BanglarMukh- the official portal of Government of West Bengal is under the process. The work is expected to be completed during financial year 2008-09.

24. Initiatives have been taken for the selection of external agency (Content Service Provider) for the contribution to the National Portal on behalf of the State Government.

25. Bankura and Jalpaiguri have been chosen under the e-District Programme. The proposals have been forwarded to GOI. The automation of workflow and internal processes of the District Administration as well as the seamless integration of various Departments like Health, Land & Land Reforms, Panchayat & Rural Development Department etc for providing improved services to the citizens are envisaged under the programme.

27. With these words, Mr Speaker, Sir, I move for sanction of the demand I have proposed for expenditure during 2008-09 on account of development in the IT sector of this State.
