

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

UNSTARRED QUESTION NO:7437
ANSWERED ON:15.05.2002
BENEFITS TO HARDWARE INDUSTRY
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Government propose to give benefits to hardware industry as given to software industry;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

Answer

MINISTER OF PARLIAMENTARY AFFAIRS AND COMMUNICATIONS & INFORMATION TECHNOLOGY (SHRI PRAMOD MAHAJAN)

(a),(b) and (c): Government has provided the following fiscal benefits to the IT hardware industry in the Budget of FY 2002-03:

- (i) Custom Duty on 56 items of capital goods for manufacture of semiconductors reduced from 5% to 0%.
- (ii) Custom Duty on 24 items of capital goods for manufacture of electronic components reduced from 25-35% to 15%.
- (iii) Custom Duty on 46 items of raw materials for manufacture of electronic components reduced from 25-35% to 5%.
- (iv) Customs duty on tools, dies, moulds for Electronics Industry reduced from 25% to 15%.
- (v) Customs duty on 4 items of raw material for manufacture of optical fibre/cables reduced from 25-35% to 5%.
- (vi) Customs duty on stepper motors for computers/printers reduced from 5% to 0%.