

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:6617  
ANSWERED ON:10.05.2005  
COMPUTER PURCHASING POWER  
Rawat Shri Kamla Prasad

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether Government has taken any measures to increase the computer purchasing power of the people of the country and to set up a tower for the global positioning system and a technology park in order to increase the import of computer chip;
- (b) if so, whether the said measures are being taken to increase the import of computer chip; and
- (c) if not, the reasons therefor?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY ( SHRI E.V.K.S. ELANGO VAN)

(a) to (c): The increase in computer purchasing power of the people is directly linked to the price of computers. In order to promote manufacturing of computers in the country at affordable prices, a number of steps have been taken by the Government. Some of the major steps taken are emphasis on sustaining the growth of manufacturing industry including IT hardware in the National Common Minimum Programme; approval for FDI upto 100% for Computer Hardware Manufacturing under automatic route, depreciation on Computers at 60%, 0% duty on Computers including goods required in the manufacture of Computers, 0% excise duty on Computers including Microprocessors, Hard disc Drives, Floppy Disc Drives and CD ROM Drives etc.

Software Technology Parks of India (STPI), an autonomous society under the Department of Information Technology, has set up 45 centres across the country to promote the export of software. The increase in consumption of computers in the country has led to proportionate increase in the import of computer chip (Microprocessors).