

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5262
ANSWERED ON:27.08.2010
EXPORT ORIENTED FIRMS
Swamygowda Shri N Cheluvarya Swamy

Will the Minister of FINANCE be pleased to state:

- (a) whether the export-oriented firms set up in Government run software Technology Parks, are enjoying the tax-free status;
- (b) if so, whether this tax-free status to such firms is adversely affecting the commercial viability of Private sector industry;
- (c) whether the Government has plans for mitigating the effect of global recession in this prime market of information technology; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a): Export Oriented firms set up in Government run Software Technology Parks are enjoying the tax benefits under Section 10 A of the Income Tax Act, 1961. These benefits are applicable upto 31-03-2011.

(b): No, Sir.

(c) & (d): The Government of India had recently set up a Task Force to suggest measures to stimulate the growth of IT-ITES and Electronics Hardware Manufacturing Industry in the country in the backdrop of significant challenges faced by the IT industry owing to the global recession. The Government has constituted a Committee of Secretaries (COS) for facilitating examination of the recommendations made by the Task Force.