

**F.No.8(41)/2012-IPHW**  
**Ministry of Communications and Information Technology**  
**Department of Electronics and Information Technology**

Dated: 17<sup>th</sup> December, 2012

**NOTIFICATION**

**Subject: Policy for Preference to domestically manufactured electronic goods in procurement due to security considerations and in Government procurement - Notifying electronic products for Government Procurement in furtherance of the Policy**

**Reference: Notification No.8(78)/2010-IPHW dated 10.2.2012**

The Government has notified the policy for providing preference to domestically manufactured electronic products in procurement due to security considerations and in Government procurement vide Notification No.8(78)/2010-IPHW dated 10.2.2012 (hereinafter called the Policy).

2. As per Clause 2.2.2, the Policy is applicable for Government procurement, whereby the policy will be applicable to all Ministries/Departments (except Defence) and their agencies for electronic products purchased for Governmental purposes and not with a view to commercial resale or with a view to use in the production of goods for commercial sale.

3. In furtherance of the Policy notified vide reference cited above, the Department of Electronics and Information Technology (DeitY) hereby notifies that preference shall be provided by all Ministries/Departments and agencies under their control to domestically manufactured Desktop PCs and Dot Matrix Printers as per the said policy. The details are as follows:

**(I) Desktop Personal Computers (PCs)**

**I(A) Definition:**

For the purpose of this Notification, a Desktop PC shall necessarily consist of a CPU, Memory, Hard disk drive, Keyboard, Mouse and a separate or integrated display unit and should be able to operate independently.

I(B)

Percentage of procurement for which preference to domestically manufactured Desktop PCs is to be provided (in value terms)	Percentage domestic value addition in terms of Bill of Material (BOM) required for the Desktop PCs to qualify as domestically manufactured
50%	30% in Year 1

I(C) Criteria for BOM to be classified as domestic:

The domestic BOM of Desktop PC would be the sum of the cost of main inputs as specified in Column 1 of the following table, provided the inputs individually satisfy the value addition requirement specified in Column 2 of the table:

Main inputs in BOM/stages for manufacture of Desktop PC	Value addition required for the input to be classified as domestic BOM
1	2
Processor	Domestic ATMP /fabrication or both
Memory	Domestic assembly of imported memory chips on imported / indigenously manufactured bare PCB/ Domestic ATMP/ fabrication/ or combination
Hard Disk Drive	Domestic assembly and testing from imported / indigenously manufactured parts and components
LCD Monitor	Domestic assembly from imported LCD Panel wherein plastic moulding and stamping of metal parts is done domestically and testing / Domestic fabrication of LCD Panel or both
DVD Drive	Domestic assembly and testing from imported / indigenously manufactured parts and components
Cabinet + SMPS	Domestically manufactured Cabinet and domestic assembly and testing of SMPS from imported / indigenously manufactured parts and components subject to the

Main inputs in BOM/stages for manufacture of Desktop PC	Value addition required for the input to be classified as domestic BOM
	condition that value of domestically manufactured parts and components used in the assembly of "SMPS" will be minimum 10% (of the total value of parts and components used in the manufacture of "SMPS") in Year 2, which will increase to minimum 20% (of the total value of parts and components used in the manufacture of "SMPS") in Year 3 and subsequent years
Keyboard/Mouse	Domestic assembly and testing from imported / indigenously manufactured parts and components
Motherboard	Domestic assembly and testing from imported / indigenously manufactured parts and components except value of bare PCB
Bare PCB	Domestically manufactured
Final Assembly/Testing and Design/Development	Domestically assembled/tested and any Intellectual Property (IP) resident in India

## II. Dot Matrix Printers

### II(A) Definition:

A Dot Matrix Printer is a type of impact printer that forms dot on paper by a metal pin of diameter 0.2 mm to 0.3 mm which is driven by electromagnet based on solenoid principle and required character matrix is produced by horizontal and vertical resolution of dot matrix printhead. Dot matrix Printer can create carbon copies and carbonless copies based on mechanical pressure of pin.

### II(B)

Percentage of procurement for which preference to domestically manufactured Dot Matrix Printers is to be provided (in value terms)	Percentage domestic value addition in terms of Bill of Material (BOM) required for the Dot Matrix Printers to qualify as domestically manufactured
50%	40% in Year 1

