

Tax sops for IT units setting up operations in rural areas

by [Shubhank Gupta](#) on September 9th 2010 and filled under [Information Technology](#)

The central government on Wednesday said it is keen to provide incentives for information technology (IT) companies setting up operations in tier 2/3 cities and rural areas. Inaugurating the two-day conference, Connect 2010, Union Minister of State for Planning and Parliamentary Affairs V. Narayanasamy said, "The government is keen to provide incentives for companies willing to go to tier-2, tier-3 cities and rural areas. The government is focusing on creating job guarantee schemes, connecting all the districts of the country at the cost of Rs.20,000 crore. It is creating 2,50,000 citizen service centres." He said India can become a global 'smart power' if the government and the industry focus on hardware, rural employment, and research and development (R&D) and connect the people left out by the information, communication and technology (ICT) revolution.

According to him, around \$490 billion worth of consumer hardware will be imported by India in next five years.

He said the government will be supportive of the ICT industry with regard to tax concessions.

The conference was organised by the Confederation of Indian Industry (CII).