

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:660  
ANSWERED ON:03.12.2004  
TAX CONCESSIONS AND INCENTIVES TO RAYALSEEMA  
Reddy Shri S.P.Y.

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government has any proposal to extend tax concession and incentives to promote rapid development and industrialization of backward regions of Rayalseema and Telengana on lines similar to what is given to the North-Eastern Region in the country;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

**Answer**

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

(a) No, Sir.

(b) In view of the reply to (a) above, does not arise.

(c) As regards indirect taxes, this Ministry is against proliferation of area bases exemptions, as they lead to shrinkage of tax base which adversely affect buoyancy in revenue collection. So far as direct taxes are concerned, no proposal has been received for extending the Income-tax concessions and incentives to promote industrialization of Rayalseema and Telengana regions.