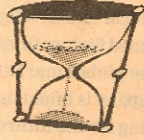


End of STPI to make 4,500 IT SMEs shut shop: Assocham

■ **NEW DELHI:** Around 4,500 small and medium size IT units might be forced to wind up businesses because of termination of the Software Technology Park of India scheme (STPI), industry body



Assocham said on Tuesday. This may cost jobs to nearly 65 % of those employed in the sector. National Association of Small and Medium IT Companies (NASMEIT) and Assocham have advocated extending the tax incentives under STPI, especially to the SME segment, for another seven years. "By 2009, all medium and small IT firms now positioned in such parks will lose benefits available to them. If such a thing happens, the Indian IT industry may face a doomsday," said Assocham president Venugopal N Dhoot. The Indian BPO/KPO sector employs nearly 10 lakh people.