

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:349
ANSWERED ON:05.09.2012
ESCROW ACCOUNT IN NORTH EASTERN REGION
Chakravarty Smt. Bijoya

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has accorded favourable fiscal regime including Tax Holidays both for capital and labour intensive industries, so as to promote industrialization in the North Eastern States;
- (b) if so, the details thereof and the benefits accrued to the region as a result thereof;
- (c) the names of the major industrial houses who are beneficiaries of ESCROW account under excise duty exemption in the North Eastern Region in accordance with the North East Industrial Policy, 1997;
- (d) the amount of withdrawal allowed to the beneficiaries from the said ESCROW account; and
- (e) the total amount deposited with the ESCROW account, year-wise under the scheme?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI P. CHIDAMBARAM)

(a) to (e): A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of the Lok Sabha Starred Question No. 349 for answer on 5th September, 2012

(a) & (b): To promote industrialization as well as development of North Eastern States, various concessions like exemption of tax, incentives/package are being provided to the industrial units in the eight States of North Eastern Region (NER). Apart from Excise duty exemption and Income Tax exemption certain subsidies are also provided under North East Industrial and Investment Promotion Policy (NEIIPP), 2007. These subsidies are provided under three schemes namely (i) Central Capital Investment subsidy Scheme, (ii) Central Interest Subsidy Scheme and (iii) Comprehensive Insurance subsidy Scheme to the industries in the eight States of North East Region. Apart from these subsidies, a subsidy towards transportation cost is also provided to the industries in eight NER States.

(c): The names of the industrial houses who are beneficiaries of ESCROW account under excise duty exemption in the North Eastern Region in accordance with the North East Industrial Policy, 1997 are as under:

- (i) M/s. Dharampal Satyapal Limited, Guwahati (DSL, GHY)
- (ii) M/S Kothari Products Ltd. Jorhat (KPL,JORHAT)
- (iii) M/s. Dharampal Satyapal Limited, Agartala (DSL, AGT)
- (iv) M/S Dharmpal Premchand Limited Agartala (DPL,AGT)
- (v) M/S Satyapal Shivkumar Limited, Agartala(SSL,AGT)

(d): The amount of withdrawal allowed to beneficiaries from the said ESCROW Account is as under:

(RS. IN CRORE)

NAME OF THE UNIT AMOUNT WITHDRAWN

DSL, GHY 249.17

KP, JORHAT 7.97

DSL, AGT 154.39

DPL, AGT 146.23

SSL, AGT 3.73

Amount withdrawn includes interest accrued in ESCROW Accounts

(e): The total amount deposited with ESCROW Account, year-wise under the Scheme is as under:

(RS. IN CRORE)

NAME OF THE UNIT AMOUNT DEPOSITED

2004-05 2005-06 2006-07 2007-08

DSL, GHY 38.49 85.06 86.52 17.00

KPL, JORHAT 7.14 0.84 - -

DSL, AGT 20.79 51.46 57.17 8.74

DPL, AGT 24.07 58.82 50.86 9.13

SSL, AGT 0.39 1.18 1.58 0.58