

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

STARRED QUESTION NO:555

ANSWERED ON:06.05.2013

NATIONAL INVESTMENT AND MANUFACTURING ZONES

Haque Shri Sk. Saidul;Singh Shri Dhananjay

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether the Union Government proposes to provide incentives like exemption from capital gains tax and a liberalised labour and environment norms to promote the National Investment and Manufacturing Zone under the recently unveiled National Manufacturing Policy;
- (b) if so, the details thereof;
- (c) whether Russia has agreed to invest in the said project and if so, the details thereof along with the proposed investment likely to be made by them;
- (d) the number of countries which have agreed to invest in the said project and the total investment made by them till now, country-wise; and
- (e) the details of the fields wherein the said countries including Russia have agreed to participate?

**Answer**

MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA STARRED QUESTION NO. 555 FOR ANSWER ON MONDAY, THE 6TH MAY, 2013 REGARDING NATIONAL INVESTMENT AND MANUFACTURING ZONES.

(a) & (b) The National Manufacturing Policy (NMP) provides inter-alia for:

- i. Relief from Capital Gains Tax on sale of plant and machinery of a unit located in a National Investment and Manufacturing Zone (NIMZ), in case of re-investment of sale consideration, within a period of three years, for purchase of new plant & machinery in any other unit located in the same NIMZ or another NIMZ. [Para 3.5 of the policy]
- ii. Rollover relief from long term Capital Gains tax to individuals on sale of a residential property (house or plot of land), in case of re-investment of sale consideration in the equity of a new start-up SME company in the manufacturing sector, for the purchase of a new plant and machinery. [Para 6.2 (i) of the policy]
- iii. Simple and expeditious exit mechanism for closure of sick units while protecting labour interests; [Para 1.12 (ii) of the policy]
- iv. In respect of environmental laws/regulations, inspection by specially trained/designated/ notified agencies for third party inspection to supplement the inspection by the Government agencies for compliance monitoring. [Para 2.3 (ii) of the policy]

(c) to (e) Strong expression of interest has been shown by Russia and Germany, both at the Government and industry level. Apart from Japan which is already a partner in the Delhi-Mumbai Industrial Corridor (DMIC) project, USA and Britain have also shown interest in the implementation of the National Manufacturing Policy. No specific investment proposals in respect of NIMZs have been received from these countries.