

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3555
ANSWERED ON:11.12.2009
TAX RELATED CONCESSION TO HP
Bajwa Shri Partap Singh

Will the Minister of FINANCE be pleased to state:

- (a) whether Government of India has given special tax related and other concessions for industries located in Baddi belt of Himachal Pradesh;
- (b) if so, has it led to flight of industry from neighboring Punjab to Baddi area of Himachal Pradesh;
- (c) if so, whether Government propose to consider giving the same concessions and incentives to entrepreneurs willing to set up industrial units in border districts of Punjab; and
- (d) if not, the reasons therefor?

Answer

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

(a)&(b): Yes, Sir. The Government of India has provided a package of incentives to the entire State of Himachal Pradesh, including the Baddi belt which has brought investment worth Rs.6058 crore in the State by way of setting up 6287 industrial units and generating employment of 78179 persons. It can not be said that any of these units has flown from the neighboring State of Punjab or elsewhere.

(c)&(d): The question does not arise in view of (a) & (b) above.