#### GOVERNMENT OF INDIA MINISTRY OF COMMERCE & INDUSTRY DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION

# LOK SABHA

# UNSTARRED QUESTION NO. 1844. TO BE ANSWERED ON MONDAY, THE $30^{TH}$ JULY, 2018.

## SETTING UP OF NIMZ

#### 1844. SHRI MAGANTTI VENKATESWARA RAO (BABU):

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state: वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government proposes to set up the National Investment and Manufacturing Zones(NIMZs) in the country;
- (b) if so, the details thereof and the manner in which it is different from the Special Economic Zone Scheme particularly in Andhra Pradesh;
- (c) whether the Government has been giving any tax incentives to the above said zones; and
- (d) if so, the details thereof?

#### ANSWER

# वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री सी.आर. चौधरी) THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI C.R. CHAUDHARY)

(a) & (b): National Investment & Manufacturing Zones (NIMZs) are one of the important instruments of National Manufacturing Policy, 2011. NIMZs are envisaged as large areas of developed land with the requisite ecosystem for promoting world class manufacturing activity. So far, three NIMZs namely Prakasam (Andhra Pradesh), Sangareddy (Telangana) and Kalinganagar (Odisha) have been accorded final approval and 13 NIMZs have been accorded in-principal approval. The details of these 13 NIMZs are given at Annexure. Besides these, eight Investment Regions along the Delhi Mumbai Industrial Corridor (DMIC) project have also been declared as NIMZs. Details of 8 DMIC NIMZs are provided in Annexure.

The main objective of Special Economic Zones is promotion of exports, while NIMZs are based on the principle of industrial growth in partnership with States and focuses on manufacturing growth and employment generation. NIMZ are different from SEZs in terms of size, level of infrastructure planning, governance structures related to regulatory procedures, and exit policies. There is no difference between SEZs set up in Andhra Pradesh and SEZs in other general States.

- (c) & (d): 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 reinvestment 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. Tax pass-through status for Venture Capital Funds with a focus on SMEs in the manufacturing sector. These VCFs will be required to be registered under the Securities and Exchange Board of India (Venture Capital Funds) Regulations 1996 and appropriately notified under the Income Tax Act [Para 6.2(ii) of the policy]

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# ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE LOK SABHA UN-STARRED QUESTION NO.1844 FOR ANSWER ON 30.07.208.

The details of thirteen NIMZs have been accorded in-principle approval are as under:

- i. Nagpur in Maharashtra
- ii. Chittoor in Andhra Pradesh
- iii. Hyderabad Pharma NIMZ in Rangareddy District, Telangana
- iv. Tumkur in Karnataka
- v. Kolar in Karnataka
- vi. Bidar in Karnataka
- vii. Gulbarga in Karnataka
- viii. Ramanathapuram District in Tamil Nadu
- ix. Ponneri Taluk, Thiruvallur District in Tamil Nadu
- x. Auraiya District in Uttar Pradesh and
- xi. Jhansi District in Uttar Pradesh
- xii. Ahmedabad and Mehsana District of Mandal-Becharaji Special Investment Region, Gujarat
- xiii. Ahmedabad District of Mandal-Becharaji Special Investment Region, Gujarat.

The details of eight Investment Regions along the Delhi Mumbai Industrial Corridor (DMIC) project have been declared as NIMZs are as under:

- i. Ahmedabad-Dholera Investment Region, Gujarat
- ii. Pithampur-Dhar-Mhow Investment Region, Madhya Pradesh
- iii. Shendra-Bidkin Industrial Park city near Aurangabad, Maharashtra
- iv. Dighi Port Industrial Area, Maharashtra
- v. Manesar-Bawal Investment Region, Haryana
- vi. Khushkhera-Bhiwadi-Neemrana Investment Region, Rajasthan
- vii. Jodhpur-Pali-Marwar Region in Rajasthan
- viii. Dadri-Noida-Ghaziabad Investment Region, Uttar Pradesh

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