

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
LOK SABHA**

**UNSTARRED QUESTION NO. 504.
TO BE ANSWERED ON WEDNESDAY, THE 20TH JULY, 2022.**

INDUSTRIAL DEVELOPMENT IN BIHAR

504. SHRI RAM KRIPAL YADAV:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government has issued any guidelines for the industrial development in Bihar and if so, the time by which it is likely to be done and main characteristics thereof;
- (b) whether the said guidelines have been reviewed and if so, the progress report thereof;
- (c) whether Bihar State is responsible for its own industrial development or it gets assistance from the Union Government also; and
- (d) if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सोम प्रकाश)

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI SOM PARKASH)**

(a) to (d): Setting up of industry is primarily the domain of State Governments. Government of India provides an enabling ecosystem of overall industrial development in the country through appropriate policy interventions.

Government of India has taken special measures for providing tax incentives related to income tax to industrially backward areas of Bihar. The details regarding the tax incentives are attached at Annexure.

Government of India is developing various Industrial Corridor Projects as part of National Industrial Corridor programme which is aimed at development of greenfield industrial smart cities in India. As part of Amritsar Kolkata Industrial Corridor (AKIC), Govt. of Bihar in March, 2021 confirmed the availability of 1670 acres land for the development of Integrated Manufacturing Cluster (IMC) at Gaya, Bihar. Consultant has been appointed for carrying out Detailed Master Planning and Preliminary Engineering activities.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA UNSTARRED QUESTION NO. 504 FOR ANSWER ON 20.07.2022.

The Government has from time to time given tax incentives relating to income-tax to industrially backward areas such as:-

(i) Section 32 of the Income-tax Act, 1961 (the Act) was amended to, inter alia, allow higher depreciation @35% in place of 20% in respect of the actual cost of new specified machinery or plant acquired and installed by a manufacturing undertaking/ enterprise which is set up in the notified backward area of Bihar during the period 01.04.2015 to 31.03.2020. Accordingly, vide Notification No. 71/2015 dated 17.08.2015 (copy enclosed), 21 districts of Bihar were notified and vide notification No. 61 of 2016 dated 20.07.2016 (copy enclosed), 17 districts of Bihar were notified.

(ii) Section 32AD of the income-tax Act, 1961 provide for additional investment allowance of 15% on the cost of specified plant and machinery acquired and installed by any person during the period from 1st April, 2015 to 31st March, 2020 to set up a manufacturing/production undertaking/enterprise in any notified area of Bihar. Accordingly, vide Notification No. 71/2015 dated 17.08.2015 (Copy enclosed), 21 districts of Bihar were notified and vide notification No. 61 of 2016 dated 20.07.2016 (copy enclosed) 17 districts of Bihar were notified.

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART-II,
SECTION 3, SUB-SECTION (ii)]
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
(CENTRAL BOARD OF DIRECT TAXES)
NOTIFICATION**

New Delhi, the 17th August, 2015

INCOME-TAX

S.O. 2241(E).— In exercise of the powers conferred by section 32 and section 32AD of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies the following districts of the State of Bihar as backward areas under the first proviso to clause (iia) of sub-section (1) of section 32 and sub-section (1) of section 32AD, namely:—

1. Patna
2. Nalanda
3. Bhojpur
4. Rohtas
5. Kaimur
6. Gaya
7. Jehanabad
8. Aurangabad
9. Nawada
10. Vaishali
11. Sheohar
12. Samastipur
13. Darbhanga
14. Madhubani
15. Purnea
16. Katihar
17. Araria
18. Jamui
19. Lakhisarai
20. Supaul
21. Muzaffarpur.

2. This notification shall come into force on the date of its publication in the Official Gazette.

[Notification No. 71/2015/F.No.142/13/2015-TPL]

(RAJESH KUMAR BHOOT)
DIRECTOR (TAX POLICY & LEGISLATION)

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SECTION 3, SUB-SECTION (ii)]
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
(CENTRAL BOARD OF DIRECT TAXES)
NOTIFICATION**

New Delhi, the 20th July, 2016

INCOME-TAX

S.O. 2478(E).— In exercise of the powers conferred by section 32 and section 32AD of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies the following districts of the States mentioned below as backward areas under the first proviso to clause (iia) of sub-section (1) of section 32 and sub-section (1) of section 32AD, namely:—

State of Telangana

1. Adilabad
2. Nizamabad
3. Karimnagar
4. Warangal
5. Medak
6. Mahbubnagar
7. Rangareddy
8. Nalgoda
9. Khammam

State of West Bengal

1. South 24 Parganas
2. Bankura
3. Birbhum
4. Dakshin Dinajpur
5. Uttar Dinajpur
6. Jalpaiguri
7. Malda
8. East Medinpur
9. West Medinpur
10. Murshidabad
11. Purulia

State of Bihar

1. Arwal
2. Banka
3. Begusarai
4. Bhagalpur
5. Buxar
6. Gopalganj

7. Khagaria
8. Kishanganj
9. Madhepura
10. Munger
11. West Champaran
12. East Champaran
13. Saharsa
14. Saran
15. Sheikhpura
16. Sitamarhi
17. Siwan.

3. This notification shall come into force on the date of its publication in the Official Gazette.

[Notification No. 61/2016/F.No.142/13/2015-TPL]

(PITAMBAR DAS)
DIRECTOR (TAX POLICY & LEGISLATION)
