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● **Commerce ministry seeks tax sops for NIMZ in DTC Bill**

Seeking to give a push to the manufacturing sector, Commerce and Industry Ministry on Tuesday asked its finance counterpart to ensure that National Investment and Manufacturing Zones enjoy tax benefits in the Direct Tax Code (DTC) Bill.

To make NIMZ mega industrial zones, the government is offering a lot of incentives. Recently, the commerce ministry had notified incentives and other facilities that will be available to investors in NIMZ.

Among the support measures promised to investors were exemption from capital gains tax on sale of plant and machinery in a facility being sold for relocation in an NMIZ, up to 20 per cent of the project cost being given as an outright capital grant if the intended activity is otherwise non-viable.

"The Department of Revenue was asked to ensure that the dispensation pertaining to relief from capital gains tax as approved in the NMP, is included in the Direct Tax Code (DTC) Bill, as was indicated by them," an official statement said after the first meeting of Manufacturing Industry Promotion Board chaired by Commerce Minister Anand Sharma.

Sharma also asked the Ministry of Labour to convene a tripartite meeting to take a final decision on amending Section 25 FFF (1A) of the Industrial Disputes Act, 1947, which deals with compensation to workers in case of closure of mines following exhaustion of minerals.

During the meeting, Sharma reviewed the progress of the proposed zones and said that the board will again review after three months for the early implementation of these mega infrastructure projects. Such reviews would be taken after every three months.

India envisages to raise share of manufacturing in gross domestic product from the current 16 per cent to about 25 per cent and create 100 million jobs by 2022.

Manufacture-exports that constituted over three-fourths of the India's total export are now barely one-half. Even in traditional exports of textiles, apparels and leather goods, India lags behind Bangladesh, Vietnam and Pakistan.