

Government of India
Ministry of Industry
Department of Industrial Policy and Promotion

PRESS NOTE NO.8

(1999 SERIES)

Subject:- Scheme to avail of fiscal concession under Section 80 IA of the Income Tax Act, 1961 for setting up industrial model towns/industrial parks.

The Government have been considering for sometime in the past ways and means for encouraging private investment in setting up industrial parks in different regions of the country. With this aim in view, the Finance Act of 1997-98 made provisions for tax exemptions under Section 80 IA of the Income Tax Act, 1961 for setting up industrial parks. 2. The Government have now formulated a scheme for providing the tax exemptions for setting up industrial parks for the period beginning on the 1st day of April, 1997 and ending on the 31st day of March, 2002. The details of the scheme have recently been published in Gazette of India (extra ordinary) bearing No.193(E) on 30.3.99. The scheme, inter-alia, aims at setting up industrial model towns/industrial parks for development of industrial infrastructure facilities for carrying out integrated manufacturing activities including common facilities such as roads, power, water, drainage and telecommunications

within its precincts and research and development. 3. The notified scheme provides for two routes for applications for setting up industrial model towns/industrial parks - the automatic approval route under which applications filed shall be disposed and the decision communicated within 15 days of making an application in the prescribed form with the requisite fee. All applications not eligible for automatic approval shall be placed before an Empowered Committee specifically constituted for this purpose in the Ministry of Industry, under the chairmanship of Secretary, Industrial Policy and Promotion. 4. The Secretariat for Industrial Assistance (SIA) would be the Secretariat for this Scheme and applications can be filed either in person or by post in the Entrepreneurial Assistance Unit (EAU) of the SIA located in Udyog Bhavan, New Delhi-110011, which will issue an acknowledgement for the receipt of the application alongwith a SIA No. for further reference. A copy of the prescribed form for making the application is part of the above mentioned Gazette Notification dated the 30th March, 1999. 5. The Government hopes that entrepreneurs will avail of the aforesaid scheme to set up industrial model towns/industrial parks.

Sd/-

(Ashok Kumar)

Joint Secretary to the Govt. of India.

F.No. 7(11)/99-IP

New Delhi, the 7th April, 1999.

Forwarded to the Principal Information Officer, Press Information Bureau for giving wide publicity to the contents of the above Press Note.

**Press Information Officer,
Press Information Bureau,
New Delhi.**