

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

STARRED QUESTION NO:84  
ANSWERED ON:23.11.2001  
SPECIAL INCENTIVES TO INDUSTRIES FOLLOWING ECO-FRIENDLY MEASURES  
GORDHANBHAI JAVIA

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

- (a) whether there is any proposal to give special incentives to the industries which are adopting recycling and eco-friendly conservation practices;
- (b) if so, the details thereof;
- (c) the time by which it is likely to be implemented; and
- (d) if not, the reasons therefor?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY [ DR. RAMAN SINGH ]

(a) to (d) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 84 FOR ANSWER 23-11-2001

(a) to (d) : Incentives have been given to the industries adopting recycling and eco-friendly conservation practices which include -

- (i) A provision of incentive in the form of rebate has been made under the Water Cess Act for the industries which have adopted satisfactory pollution control measures.
- (ii) The industries consuming Water less than the prescribed rate of consumption, are required to pay cess at lower rates.
- (iii) Financial assistance is given for setting up of Common Effluent Treatment Plants (CETPs) in clusters of small and medium scale industries.
- (iv) 100% custom and excise duty exemption is given for capital goods using non ozone depleting substances technology.
- (v) Concessional custom duty @ 5% is charged for the import of CNG/LPG/Propane Kit / parts, which are required for conversion of motor spirit or diesel driven vehicles into CNG/Propane/LPG driven vehicles to reduce pollution.
- (vi) Exemption from payment of excise duty upto first clearance of 3500 MT per annum is given to the paper and paper board manufacturers using 75% or more non-conventional raw material such as bagasse, wheat straw, rice straw and waste paper.