

**HEAVY INDUSTRIES AND PUBLIC ENTERPRISES  
DEPARTMENT OF HEAVY INDUSTRY**

**RAJYA SABHA  
UNSTARRED QUESTION No. 3221  
TO BE ANSWERED ON 22.07.2019**

**Setting up of car manufacturing units**

3221. SHRI JOSE K. MANI:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether a major global auto maker of Japan had claimed from India more than Rs. 5000 crores in a dispute over incentives from Tamil Nadu Government as a part of 2008 agreement for setting up a car manufacturing unit, before the Permanent Court of Arbitration in Singapore;
- (b) whether the Arbitration Court has rejected India's plea that the court does not have the jurisdiction to rule on case brought against India by that company; and
- (c) whether India is likely to file an appeal with the Singapore's Supreme Court?

**ANSWER**

**THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES  
(SHRI ARVIND GANPAT SAWANT)**

(a) to (c): M/s Nissan Motors Limited (NML) raised a dispute against the Republic of India pursuant to India Japan Comprehensive Economic Partnership Agreement (CEPA) before Permanent Court of Arbitration (PCA), The Hague, Netherlands, in connection with their outstanding Fiscal Incentives under the MoU between Govt. of Tamil Nadu (GoTN) and Renault & Nissan (R&N) consortium. As a preliminary objection, the Government of India (GoI) challenged the jurisdiction of international arbitral tribunal in this matter on five grounds. The arbitral tribunal dismissed four out of the said five grounds of objections. Against the order for dismissal of these four objections, GoI has already filed an appeal before the Singapore High Court.

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