

**GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION**

**LOK SABHA**

**UNSTARRED QUESTION NO. 3196.  
TO BE ANSWERED ON MONDAY, THE 6<sup>TH</sup> AUGUST, 2018.**

**INDUSTRIALLY BACKWARD REGIONS**

**3196. SHRI RAM TAHAL CHOUDHARY:  
SHRI VIJAY KUMAR HANSDAK:  
SHRI BHAIRON PRASAD MISHRA:  
SHRI LAKHAN LAL SAHU:**

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

**वाणिज्य एवं उद्योग मंत्री**

- (a) whether certain areas/regions in both plain and hilly States despite having rich natural resources are still industrially backward in the country;
- (b) if so, the details thereof along with the reaction of the Government thereto, State/UT-wise including Chhattisgarh, Madhya Pradesh and Uttar Pradesh;
- (c) whether the Government proposes to promote industrial development of the said areas/regions;
- (d) if so, the details thereof including the funds sanctioned and target fixed in this regard, State/UT-wise; and
- (e) the other steps taken by the Government to promote industrial development of the said areas/regions in the country?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री सी.आर. चौधरी)**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI C.R. CHAUDHARY)**

**(a) & (b):** Certain areas/regions in both plain and hilly States are having rich natural resources. States of Madhya Pradesh, Chhattisgarh and Uttar Pradesh are rich in mineral resources such as Diamond, Coal, Lime stone, Diaspore, Pyrophyllite, Manganese, Dolomite, Iron ore, Bauxite, Tin, etc. Hilly states of North Eastern Region and the Himalayan States are also rich in natural resources such as Coal, Petroleum, Natural gas, Lime stone, etc.

Significant progress in industrialization is being made in these States.

- (c) & (d):** The Government is committed to promote industrial development of the said areas / regions. Details of steps being taken to promote industrial development of the aforementioned areas / regions including funds sanctioned are at Annexure-I.
- (e):** Other steps taken for promoting industrial development in the said areas / regions are at Annexure-II.

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**ANNEXURE REFERRED TO IN REPLY TO PARTS (c) & (d) OF THE LOK SABHA UNSTARRED QUESTION NO. 3196 FOR ANSWER ON 06.08.2018.**

Details of steps being taken to promote industrial development of Madhya Pradesh, Chhattisgarh, Uttar Pradesh, North Eastern states and the Himalayan states including funds sanctioned are as follows:-

➤ **MADHYA PRADESH**

To ensure development of all the regions of the state, cluster based industrial development initiative has been adopted over the last decade. Additionally, the state has come up with new policies to attract investors.

Government of Madhya Pradesh (GoMP) has developed 1785 hectare of new industrial areas as detailed below:-

Year	Area (in Hectare)
2014-15	295 Hectare
2015-16	570 Hectare
2016-17	575 Hectare
2017-18	318 Hectare

Further, Industrial areas admeasuring 6,867.87 Hectares have been upgraded.

Some of the prominent industrial areas developed include:

- Crystal IT Park, Indore.
- Readymade Garment Park, Gadaipura, Gwalior.
- Apparel Pharma Cluster, Indore.
- Plastic Park, Tamot, Bhopal.
- There are 6 govt. promoted food parks operation in the state and 2 private agency promoted food parks.
- State has earmarked areas for Japanese Investors in Japanese Industrial Township (200 Ha.) and South East Asian Investors in South East and Far East Asian Nation's Industrial Township (206 Ha.), near Indore. However, considering tepid response from international investors the earmarked areas are now being developed as Smart Industrial park and open to all the investors.

**Policy level initiatives:**

- In order to leverage central location of the state, the state has come up with new warehousing and logistics policy.
- The state offers special incentive package for Textile and food processing industry.
- Madhya Pradesh has also announced new garmenting policy to attract garment industry in the state.
- MP is the only state in India to come up with "Tax-Delinked" investment assistance policy under GST regime.

➤ **CHHATTISGARH**

Government of Chhattisgarh is providing attractive subsidies, rebates and concessions for setting up New Industrial units / Expansion / Diversification of the existing Industrial units through various policies (viz industrial policy 2014-19, agriculture and food processing policy 2012-19, logistic park policy 2018-23).

➤ **UTTAR PRADESH**

Special incentives for setting up of industry in Bundelkhand region have been announced.

➤ **NORTH EASTERN STATES**

With the objective to promote industrialization in the states of NER, Government was earlier implementing North East Industrial and Investment Promotion Policy (NEIIPP), 2007 which remained in force w.e.f. 01.04.2007 upto 31.03.2017. Incentives available under the said policy were Central Capital Investment Subsidy, Central Comprehensive Insurance Subsidy, Central Interest Subsidy, Reimbursement of Excise duty and Reimbursement of Income tax. Details of number of units setup, investment attracted and employment generated is as below:-

Year Wise Data of NE States

Year	No. of units	Investment (Rs. in crores)	Employment generated (no.)
2007-08	3070	1289.33	24344
2008-09	5226	1982.21	37834
2009-10	4056	1259.3	30690
2010-11	2752	2136.24	24112
2011-12	2376	1049.67	24984
2012-13	2127	1863.54	19058
2013-14	2574	670.21	20756
2014-15	3238	1131.49	29080
2015-16	2225	354.166	17327
2016-17	3827	7361.53	53417
G. Total	31471	19097.686	281602

NEIIPP, 2007 was replaced by North East Industrial Development Scheme (NEIDS), 2017 with an outlay of Rs.3000 crore w.e.f. 01.04.2017 for a period of 5 years and upto 31.03.2022. The scheme provides for Central Capital Investment Incentive for Access to Credit, Central Interest Incentive, Central Comprehensive Insurance Incentive, Transport Incentive, Employment Incentive, Goods and Services Tax reimbursement and Income Tax reimbursement.

➤ **HIMALAYAN STATES**

With the objective to promote industrialization in the Himalayan States, Government was earlier implementing Special Package of Assistance in the state of Jammu & Kashmir w.e.f. 14.06.2002 and in the states of Himachal Pradesh and Uttarakhand w.e.f. 07.01.2003. The said schemes ended on 14.06.2017 and 31.03.2017 respectively. Large number of units was setup thereby attracting substantial investment and generating significant employment.

The aforementioned schemes were replaced by Industrial Development Scheme (IDS), 2017 which has an outlay of Rs.194.90 crore. The scheme provides for Central Capital Investment Incentive for Access to Credit and Central Comprehensive Insurance Incentive. In addition, benefit of Central Comprehensive Interest Incentive is available to the State of Jammu & Kashmir.

**ANNEXURE REFERRED TO IN REPLY TO PART (e) OF THE LOK SABHA  
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In order to attract industries in Madhya Pradesh (M.P.), Government of Madhya Pradesh (GoMP) is offering electricity at low rate of Rs.3.65 per unit for 33 KV connection and Rs.3.70 for 11KV connection in Special Economic Zone, Indore. Madhya Pradesh Audyogik Kendra Vikas Nigam (AKVN), Indore, undertaking of Department of Industrial Policy and Investment Promotion, Government of Madhya Pradesh (GoMP), is operating as a deemed distribution licensee for the same.

2. To promote entrepreneurship in M.P., AKVN Indore has also setup an incubation center in Indore, named SRIJAN. The facility provides an enabling environment for IT start-ups in the state of Madhya Pradesh.

3. Department of Industrial Policy and Promotion (DIPP) is also implementing Modified Industrial Infrastructure Up-gradation Scheme (MIUS) for establishment of common industrial infrastructure in industrial clusters in the country. Under the Scheme, projects have been undertaken to upgrade infrastructure in existing Industrial Parks/Estates/Areas. Twenty three projects were accorded final approval under the Scheme including 10 projects in the States of Chhattisgarh, Himachal Pradesh, Jammu & Kashmir, Mizoram, Madhya Pradesh and Tripura. These projects on completion are likely to provide direct and indirect employment in the above clusters and also lead to growth of industries.

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