

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

LOK SABHA

**UNSTARRED QUESTION NO. 1115.
TO BE ANSWERED ON MONDAY, THE 17TH DECEMBER, 2018.**

INDUSTRIALLY BACKWARD STATES

**1115. SHRI VIJAY KUMAR HANSDAK:
SHRIMATI RAMA DEVI:**

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government has undertaken any review of industrialization in industrially backward States/regions in the country;
- (b) if so, the details and the outcome thereof along with the States where pace of Industrialization was found to be slow, and those where it was fast review during the last three years;
- (c) the reaction of the Government thereto; and
- (d) the corrective steps taken/ proposed to be taken for industrialization of industrially backward States/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) to (d): Department of Industrial Policy and Promotion has been implementing following schemes for providing incentives to industries in States of Jammu & Kashmir, Himachal Pradesh, Uttarakhand and North Eastern States including Sikkim.

- 1) The Scheme for Jammu & Kashmir provides (i) Central Capital Investment Incentive (30% of the investment in plant & machinery with an upper limit of Rs. 5 crore), (ii) Central Interest Incentive (3% interest on working capital for 5 years) and (iii) Central Comprehensive Insurance Incentive (Reimbursement of 100% insurance premium for 5 years). The scheme is in force from 15.06.2017 to 31.03.2022.

- 2) The scheme for Himachal Pradesh & Uttarakhand provides (i) Central Capital Investment Incentive (30% of the investment in plant & machinery with an upper limit of Rs. 5 crore) (ii) Central Comprehensive Insurance Incentive (Reimbursement of 100% insurance premium for 5 years) . The scheme is in force from 01.04.2017 to 31.03.2022.
- 3) The scheme for North Eastern states including Sikkim provides (i) Central Capital Investment Incentive (30% of the investment in plant & machinery with an upper limit of Rs. 5 crore), (ii) Central Interest Incentive (3% interest on working capital for 5 years), (iii) Central Comprehensive Insurance Incentive (Reimbursement of 100% insurance premium for 5 years), (iv) Income Tax Reimbursement of centre's share for 5 years, (v) GST reimbursement of Central Govt. share of CGST & IGST for 5 years, (vi) Employment Incentive under which additional 3.67% of the employer's contribution to EPF in addition to Govt. bearing 8.33% Employee Pension Scheme (EPS) contribution of the employer in PMRPY and (vii) Transport incentive on finished goods movement by Railways(20% cost of the transportation), by Inland Waterways Authority (20% of the cost of transportation) & by air (33% of cost transportation of air freight) from the station/port/airport nearest to unit to the station/port/airport nearest to the destination point.

Also, under this scheme a single unit can avail overall benefits up to Rs. 200 Crore.

- 4) Scheme of Budgetary Support to the eligible units located in the states of Jammu & Kashmir, Uttarakhand, Himachal Pradesh and North Eastern States including Sikkim under Goods and Service Tax Regime extends benefits of GST reimbursement of central Govt. share of CGST&IGST to the industrial units for the residual period to them which were earlier availing excise exemption in the pre-GST regime. The scheme is in force from 01.07.2017 till 30.06.2027.
- 5) In addition, DIPP is also implementing 'Modified Industrial Infrastructure Up-gradation Scheme (MIUS)' to upgrade common industrial infrastructure in Industrial Parks/Estates/Areas in the country including green field projects in backward areas including NER. Under this scheme, 21 projects are under implementation/completed in various States including six projects in the States of Himachal Pradesh, Jammu & Kashmir, Mizoram and Tripura.
