GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE

LOK SABHA

UNSTARRED QUESTION NO. 1441.
TO BE ANSWERED ON TUESDAY, THE 28TH JULY, 2026.

INDUSTRIALLY BACKWARD DISTRICTS IN KARNATAKA

1441. SHRI SUNIL BOSE:

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:
वाणिज्य एवं उद्योग मंत्री

(a) the details of industrially backward districts in the State of Karnataka;

(b) the details of the ongoing special schemes or initiatives for the upliftment of such districts particularly in Lok Sabha Constituency Chamarajanagara in Karnataka; and

(c) the details of the major initiatives or activities that have helped the districts to promote industries in the State?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)
THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI JITIN PRASADA)

(a): As per the Information provided by the State Government of Karnataka, the Karnataka Industrial Policy 2025-30 has identified 40 ‘more backward’ and 39 ‘most backward’ taluks in 29 Districts of Karnataka as per Dr Nanjundappa Report. However, as per Dr. Govinda Rao Committee report there are 59 ‘most backward’, 59 ‘more backward’ and 59 ‘backward’ taluks in 30 Districts of the State. Chamarajanagar District is one of the Most Backward District of the State.

(b): The ongoing Central schemes implemented include the Prime Minister’s Employment Generation Programme (PMEGP), PM Vishwakarma, the Micro and Small Enterprises Cluster Development Programme (MSE-CDP), and the Raising and Accelerating MSME Performance (RAMP) Scheme. These are complemented by State-specific schemes under the Scheduled Caste Sub Plan and Tribal Sub Plan (SCSP/TSP), which provide soft seed capital loans, loan fee reimbursements, and the 60/40 fiscal assistance scheme, alongside the framework of the Karnataka Industrial Policy 2025-30. Notably, under the Karnataka Industrial Policy 2025-30, Chamarajanagar District has been granted an additional 5% investment incentive to encourage entrepreneurs to establish industries in the region.

(c): To promote entrepreneurship and industrial growth across the districts, twelve (12) capacity-building workshops have been conducted under the RAMP scheme, alongside the identification of Turmeric and Jaggery clusters under the MSE-CDP. Comprehensive awareness programmes were organized for the PMEGP, SCSP/TSP, and the Industrial Policy 2025-30, complemented by collaborative Entrepreneurship Development Programmes (EDPs) executed with the Karnataka State Financial Corporation (KSFC), Lead Bank, Centre for Entrepreneurship Development of Karnataka (CEDOK), and the Department of Skill Development. Furthermore, the Karnataka Industrial Policy is being actively implemented with region-specific incentives, supported by infrastructure advancements including the development of industrial areas, estates, clusters, a GIS-based Industrial Land Bank, and institutional backing for Anchor Industries in backward districts. Ease of Doing Business (EoDB) has been augmented through single-window online approvals via the Invest Karnataka Portal, alongside major decriminalisation and deregulation reforms to reduce compliance burdens. Finally, robust institutional MSME facilitation is provided through Karnataka Udyog Mitra (KUM) and District Industries Centres (DICs), alongside targeted growth driven by Startup Karnataka and district-level export promotion initiatives.

Further, DPIIT has undertaken several initiatives to enhance the Ease of Doing Business (EoDB) in India by fostering a transparent, predictable, and investor-friendly regulatory ecosystem such as:

Business Reforms Action Plan (BRAP): A key initiative is the Business Reforms Action Plan (BRAP), launched in 2014 to encourage competitive federalism through business-centric reforms across States and Union Territories, covering areas such as single-window systems, land administration, labour regulation, permits, inspections, contract enforcement, and transparency. Complementing this, DPIIT assessed State Single Window Systems and issued a Guidebook prescribing essential features to improve service delivery and integration, which now form part of the BRAP 2026 framework. At the district level, the District BRAP seeks to digitize approvals, streamline inspections, strengthen District Industries Centres, develop industrial parks, and promote entrepreneurship, particularly in Tier-II and Tier-III cities.

Reducing Compliance Burden: Additionally, the Reducing Compliance Burden (RCB) initiative aims to simplify, rationalize, digitize, and decriminalize regulatory requirements, supported by a Regulatory Compliance Portal that enables continuous engagement between government and industry. Through extensive reviews, over 47,865 compliances have been reduced nationwide, significantly lowering regulatory hurdles.

The Jan Vishwas (Amendment of Provisions) Act, 2023: The Government of India has undertaken legislative reforms to promote Ease of Doing Business and Ease of Living by rationalizing regulations and reducing criminal penalties. The Jan Vishwas (Amendment of Provisions) Act, 2023—passed by Parliament and assented to on 11th August 2023—decriminalized 183 provisions across 42 Acts administered by 19 Ministries/Departments.

In line with reforms to enhance the Ease of Living and Ease of Doing Business, The Jan Vishwas (Amendment of Provisions) Act, 2026 has been enacted. The Act amends 784 provisions across 79 Central Acts administered by 23 Ministries. Of these, 717 provisions have been decriminalized to promote Ease of Doing Business, and 67 provisions have been amended to facilitate Ease of Living.

National Single Window System (NSWS): As part of the Government's efforts to align industrial growth with social development objectives and enhance India's global competitiveness. NSWS has been established as a one-stop digital platform for Government-to-Business approvals. Currently, 32 Central Ministries/Departments and 33 States/UTs are integrated, offering access to 300+ Central and 3000+ State approvals. It's the Know Your Approvals (KYA) module that covers 699 Central and 7,435 State approvals, helping businesses identify required clearances. NSWS also operationalizes key services like FDI approvals, aquaculture registration, hallmarking, startup registration, and Industrial Entrepreneur Memorandum (IEM) approvals.

PM Gati Shakti National Master Plan (PMGS NMP): Launched in October 2021, the PMGS-NMP framework introduced a transformative approach to infrastructure planning. Under it, the Network Planning Group (NPG) evaluates critical Central Government projects for integrated planning, multimodality, synchronization, last-mile connectivity, and data-driven decisions. So far, 352 projects worth ₹16.10 lakh crore have been assessed; 201 sanctioned, with 167 currently under implementation.

The National Industrial Corridor Development Programme (NICDP) is driving India's industrial transformation by developing 20 approved greenfield corridor projects and 306 operational plug-and-play industrial parks, with 20 more in progress. These projects, built in partnership with states and private players, aim to position India as a global manufacturing hub while fostering innovation, sustainability, and employment. AURIC in Maharashtra, one of India's first Greenfield Industrial Smart Cities, exemplifies this vision with strong multi-modal connectivity through highways, dry ports, airports, and railways, all aligned with PM GatiShakti to enhance logistics efficiency and competitiveness.

Complementing NICDP, the Union Cabinet has launched the Bharat Audyogik Vikas Yojna (BHAVYA) with an outlay of ₹33,660 crore to establish 100 world-class industrial parks. Implemented by NICDC under DPIIT, BHAVYA will provide up to ₹1 crore per acre for parks spanning 100–1000 acres, covering core infrastructure like roads, utilities, ICT systems, and value-added facilities such as factory sheds, labs, and warehousing, along with social amenities for workers. Following a challenge-based selection process and ensuring seamless connectivity under PM GatiShakti, BHAVYA aims to strengthen manufacturing, attract investments, generate large-scale employment, and promote sustainable, inclusive, globally competitive industrial growth.

Collectively, these initiatives are being implemented across all States and Union Territories to strengthen the regulatory ecosystem, facilitate investment, enhance competitiveness, and support sustained economic growth.

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