

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

UNSTARRED QUESTION NO:1515
ANSWERED ON:03.03.2000
INDUSTRIAL DEVELOPMENT
SUBODH ROY

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

- (a) whether the Government have formulated any schemes or programmes for industrial development in the Country;
- (b) if so, the details thereof alongwith the funds allocated, State-wise; and
- (c) the details of industrial development which has taken place due to the liberalisation policy being implemented since 1998-2000, State-wise ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) & (b): Yes Sir. The Government have formulated the following schemes for development of industries in the country:-

i) New Growth Centre Scheme : With a view to promoting industrialisation of backward areas in the country, the Government had announced the Growth Centre Scheme in June, 1988 under which 71 growth centres were proposed to be set up in various States. Each growth centre is to be developed at an estimated project cost of Rs.25-30 crore with central assistance of Rs.10 crore. So far, 68 centres have been approved and a sum of Rs.291.35 crore has been released as central assistance.

ii) Transport Subsidy Scheme: This scheme was introduced in July, 1971 to promote industries in hilly, remote and inaccessible areas. Under the scheme, subsidy ranging from 50% to 90% is admissible on transport cost incurred on movement of raw materials and finished goods from the designated rail heads/ports upto the location of the industrial units and vice versa. The scheme is valid upto 31st March, 2000. However, the scheme has been extended upto 31st March, 2007 in respect of the North Eastern Region.

iii) Capital Investment Subsidy Scheme: This scheme was notified in June, 1998 under the Prime Minister's new initiatives for the North Eastern Region. Under the scheme, subsidy at the rate of 15% of the investment in plant and machinery, subject to a ceiling of Rs.30 lakh is payable to industries located in the growth centres. The subsidy amount is to be disbursed through the North Eastern Development Finance Corporation Limited.

iv) Central Interest Subsidy Scheme: This scheme has been formulated for the North Eastern Region in the year 1999. Under the scheme, interest subsidy at the rate of 3% on the working capital loan is payable for a period of ten years to the new units set up in the North Eastern Region, after the units go into production.

v) Central Comprehensive Insurance Scheme: This scheme was notified for the industrial units in the North Eastern Region, in July, 1999. The scheme is effective for a period of ten years. Under the scheme, all industrial units set up in the region after 24th December, 1997 and included in the Fire Policy 'C' (as per All India Fire Tariff) are eligible for subsidy in the shape of reimbursement of the insurance premium paid by the units.

vi) The Government have formulated a scheme for providing tax incentives under section 80 1A of the Income Tax Act for setting up Industrial Park, Industrial Model Town and Growth Centre with effect from 30th March, 1999. Under this scheme, Industrial Parks being set up between 1.4.97 and 31.3.2002 are to be given tax incentives, subject to fulfilment of certain parameters. The scheme also provides that if a developer wants to exit at any stage after the development of the Industrial Park/Industrial Estate etc. and a new entity enters as an Operations and Management (O&M) undertaking, the same concessions would be available to the operator during the balance period of ten years.

(c): State-wise details of investment proposals approved during 1998-99 and 1999-2000 (April-December, 1999) are shown in the statement enclosed as Annexure-I. Another statement showing the outlays approved by the Planning Commission, State/Union Territory-wise, for various programmes/schemes pertaining to large and medium industries, mineral development and village and small scale industries during Ninth Five Year Plan is enclosed as Annexure-II.

Annexure-I

Annexure referred to in reply to part (c) of the Lok Sabha Unstarred Question No. 1515 for answer on 3.3.2000.

Statement showing the State/Union Territory-wise details of investment proposals approved during 1998-1999 and 1999-2000 (upto

December, 1999).

Name of State/UT Total Investment in Rs. Crores

1998-99 1999-2000 (April-Dec, 1999)

Andhra Pradesh	7352	3864
Assam	340	102
Arunachal Pradesh	0	0
Bihar	1780	503
Delhi	5664	2073
Goa	587	228
Gujarat	10136	14163
Haryana	2152	1302
Himachal Pradesh	575	256
J & K	182	17
Karnataka	9014	3780
Kerala	1195	499
Madhya Pradesh	8329	6631
Maharashtra	46067	33267
Manipur	0	0
Meghalaya	51	62
Mizoram	0	0
Nagaland	17	0
Orissa	2807	6343
Pondicherry	84	228
Punjab	2147	13618
Rajasthan	1926	2071
Sikkim	0	0
Tamil Nadu	8223	8771
Tripura	0	1
Uttar Pradesh	3677	5393
West Bengal	994	6641
A & N Islands	13	0
Chandigarh	94	191
Dadra & N Haveli	499	1678
Daman & Diu	165	356
Lakshadweep	0	0
More than one State	7522	3619
Total	121592	115657

Annexure-II

Annexure referred to in reply to part (c) of the Lok Sabha Unstarred Question No. 1515 for answer on 3.3.2000.

Statement showing details of programmes/schemes of States/Union Territories approved by the Planning Commission for the Ninth Five Year Plan.

Name of the State/UT Ninth Plan (1997-2002)
outlay (Rs. in crore)

Andhra Pradesh	962.13
Arunachal Pradesh	46.10
Assam	380.04
Bihar	400.00
Goa	34.55
Gujarat	1205.00
Haryana	144.68
Himachal Pradesh	150.00
Jammu & Kashmir	395.00 #
Karnataka	1026.00
Kerala	1125.86
Madhya Pradesh	1112.97
Maharashtra	902.60
Manipur	126.51
Meghalaya	102.00
Mizoram	68.92
Nagaland	121.00
Orissa	123.49
Punjab	281.30
Rajasthan	1753.38
Sikkim	70.00
Tamil Nadu	1402.91
Tripura	79.34
Uttar Pradesh	526.65
West Bengal	1326.30

Total States 13866.73

Union Territories

A&N Islands	38.00
Chandigarh	3.09
D&N Haveli	5.74
Daman & Diu	3.60
Delhi	110.00
Lakshdweep	9.16
Pondicherry	185.00

Total UTs 354.59

Grand Total States/UTs. 14221.32

Indicates proposed outlay only.