

**GOVERNMENT OF INDIA  
FINANCE AND COMPANY AFFAIRS  
LOK SABHA**

STARRED QUESTION NO:700  
ANSWERED ON:09.05.2003  
INDUSTRIALLY BACKWARD STATES  
MADAN PRASAD JAISWAL

**Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:**

- (a) whether the Government have reviewed the request submitted by the study team constituted to identify the industrially backward districts;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government to identify the backward districts after the review?

**Answer**

MINISTER OF FINANCE (SHRI JASWANT SINGH)

- (a) Yes, Sir. The report has been reviewed by a study group in 1996.
- (b) The study group of 1994 suggested the benchmark criterion of backwardness at 500 points of a composite index comprising certain industrial, infrastructural and financial parameters. The review group suggested the benchmark criterion at 250 points, with minor modification in the parameters.
- (c) Based on the review, separate package of tax concessions were offered to category-A and for category-B districts. Category-A districts include districts having the benchmark level below 250 points. Inaccessible hill area districts, districts with no rail heads are also included in Category `A`, even if they exceed the bench mark level of 250 points, provided they have bench mark level of less than 500 points. `No industries districts`, regardless of the benchmark level, are also included in this category. Category-B consists of districts which have a benchmark level of less than 500 points and more than 250 points.