

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

UNSTARRED QUESTION NO:2278
ANSWERED ON:23.07.2004
INDUSTRIAL UNITS IN ASSAM
Hussain Shri Anwar

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

- (a) the details of projects and industrial units set up in Assam and North East States during last three years;
- (b) whether there has been any specific policy of the Government to set up industries in Assam and other North East States;
- (c) if so, the details of the industrial development in the States with regard to this policy;
- (d) whether the incentives meant for Assam and North East States have been diverted to other States thus making North East States unattractive for industrialists and investors;
- (e) if so, the reasons therefor; and
- (f) whether the Government has taken fresh initiative with regard to the industrial development in North East States ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN)

(a), (b), (c) & (f): Setting up of projects and industrial units in a State is primarily the responsibility of the State Government and the Central Government only supplements their efforts for the development of industries.

The Government announced a new North-East Industrial Policy (NEIP) and other concessions for promoting industrialization in the North-Eastern Region including the State of Assam on 24th December, 1997. The Industrial Policy for the Region aims at attracting investors by giving them the following incentives/concessions/subsidies:-

- (i) Excise and Income Tax exemptions for a period of 10 years.
- (ii) Subsidies such as Transport Subsidy, Capital Investment Subsidy, Central Interest Subsidy and premium for Comprehensive Insurance Scheme.
- (iii) Promoting infrastructure development through Schemes like Growth Centre of Department of Industrial Policy & Promotion and Integrated Infrastructure Development Centre (IIDC) of Ministry of Small Scale Industry.
- (iv) A financial institution namely, North Eastern Development Finance Corporation (NEDFi) has been established as a Special Purpose Vehicle for development of the North-Eastern region and is the nodal agency for disbursement of subsidies in the Region.

The details of projects (large and medium) set up in North-East States after the NEIP are given in the Annexure. These details show that impact of the various incentives under the NEIP on the industrialization in the North Eastern Region has been encouraging.

(d)&(e): After NEIP, Government have announced special packages of fiscal incentives for the States of J&K, Sikkim, Himachal Pradesh and Uttaranchal. Except for Sikkim which is now a part of NER, the packages for other States are diluted and are not wholly the same as the one for NEIP.

ANNEXURE

Annexure referred to in reply to Lok Sabha Unstarred Question No. 2278 for answer on 23.07.2004.

LIST OF PROJECTS (MEDIUM AND LARGE) AFTER NEIP

State	No. of Units	Capital Formation	Employment
	(Rs. in crore)		

Assam	400	874	30664
Meghalaya	32	101	2595
Tripura	23	12	364
Arunachal Pradesh	5	10	140
Nagaland	1	Nil	Nil
Manipur	Nil	Nil	Nil
Mizoram	Nil	Nil	Nil

TOTAL 461 997 33763