

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

UNSTARRED QUESTION NO:3172

ANSWERED ON:15.04.2008

. DEVELOPMENT OF INDUSTRIALLY BACKWARD RURAL AREAS

Siddeswara Shri Gowdar Mallikarjunappa

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

- (a) whether the Planning Commission has formulated any scheme for the development of industrially backward rural areas in various States of the country;
- (b) if so, the details thereof, State-wise;
- (c) the steps being taken by the Union Government for speedy development of backward areas of the country ; and
- (d) the extent to which success has been achieved by the Union Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR)

(a) & (b): Yes Sir. The Planning Commission has recently done an exercise in 2005 for the purpose of their Scheme "Backward District Grant Fund". Under this survey as many as 170 districts were identified as backward districts which included 55 extremist affected districts in various States of the country. The survey so conducted laid emphasis on the concept of regional disparities. The State-wise list is enclosed at Annexure. More recently, with a view to focus on district specific cases of industrial backwardness, inter-departmental meetings have been held and the relevant data available is being analysed to finalise and implement concrete policy decisions to address purposively the causes of industrial backwardness in various districts in a calibrated manner.

(c) & (d): After the announcement of New Industrial Policy in 1991, decisions of investment have been left to the commercial judgment of the entrepreneurs. The role played by the Government has changed from that of exercising control to providing help and guidance by making essential procedures fully transparent and by eliminating delays. The Union Government supports all initiatives taken by the State Governments for the industrial development of backward areas. The Union Government supplement their effort through various schemes. These schemes play an important role in stimulating flow of capital to the backward areas. There are several schemes for the development of industries with some of them focusing on specific areas under implementation by this Department as follows:

- (i) Growth Centre Scheme;
- (ii) Industrial Infrastructure Upgradation Scheme (IIUS);
- (iii) Transport Subsidy Scheme;
- (iv) North Eastern Industrial & Investment Promotion Policy, 2007 (NEIIPP); and
- (v) New Industrial Policy and other concession for Special Category States.