

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

STARRED QUESTION NO:452  
ANSWERED ON:05.09.2011  
INDUSTRIAL INFRASTRUCTURE  
Rani Killi Krupa;Sinh Dr. Sanjay

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

- (a) whether inadequate industrial infrastructure has been one of the main reasons for the slow industrial growth in the country;
- (b) if so, the reaction of the Government thereto;
- (c) whether the Government has any plan/scheme to improve the quality of Industrial Infrastructure to enhance the competitiveness of the Indian industry;
- (d) is so, the details thereof;
- (e) the details of the projects and funds sanctioned for infrastructure projects during the last three years, State-wise; and
- (f) the steps taken by the Government towards improving the industrial infrastructure in the country?

**Answer**

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

(a) to (f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF THE LOK SABHA STARRED QUESTION NO. 452 FOR ANSWER ON MONDAY, THE 5TH SEPTEMBER, 2011.

(a) to (e): The availability of adequate industrial infrastructure is a necessary pre-requisite for industrial growth of the country. The industrial infrastructure facilities in the industrial areas are provided and maintained by the State Government or its agencies or local bodies who collect taxes/user charges for maintenance of these facilities.

The Central Government supplements the efforts of the State Governments through a variety of schemes such as Industrial Infrastructure Upgradation Scheme (IIUS), Scheme for Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE), Scheme for Integrated Textile Parks (SITP), Micro & Small Enterprises –Cluster Development Programme (MSE-CDP).

(i) DIPP has been implementing the Industrial Infrastructure Upgradation Scheme to enhance the competitiveness of the industry by providing quality infrastructure through public-private partnership in existing industrial clusters. During the last three years 10 projects have been sanctioned under the Scheme and details of the projects are in Table-1 below:

Table -1:

Sl	State	Number/name In Rs. crore	of projects In Rs. crore	Total Cost	GOI Grant
1	Assam	Bamboo Technology Park, Guwahati	62.28	52.63	
2	Bihar	Handloom Cluster, Bhagalpur	20.82	15.69	
3	Gujarat	Textiles Cluster, Narol	145.30	58.28	
4	Himachal Pradesh	Pharma& Allied Clusters, Baddi	80.50	58.28	
5	Jharkhand	Auto Cluster, Adityapur	65.63	47.79	

6 Madhya Pradesh Pandhurna Industrial Cluster, Chhindwara 66.78 43.07

7 Maharashtra Auto Cluster, Aurangabad 81.35 58.20

8 Orissa Plastics, Polymer & Allied Cluster, Balasore 81.90 58.28

9 Punjab Hand Tools Cluster, Jalandhar 79.49 58.28

10 Tamilnadu Engg Cluster, Trichy 102.81 58.28

(ii) Department of Commerce, Ministry of Commerce and Industry is operating a Centrally Sponsored Scheme namely Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE) with objective of involving States / UTs in export efforts for creation of appropriate infrastructure for development and growth of exports. During the last three years 349 projects have been sanctioned under the Scheme and details of these projects are in Table -2 below:

Table – 2:

Sl	State	Number of projects	Total Cost In Rs. crore	ASIDE Contribution in Rs. crore
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1	Andhra Pradesh	17	55.79	54.49
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2	Arunachal Pradesh	9	6.23	6.23
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3	Assam	29	89.17	89.17
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4	Chhatishgarh	7	67.64	62.55
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5	Dadar& Nagar Haveli	1	1.36	0.68
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6	Daman & Diu	14	82.85	42.27
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7	Goa	11	121.26	121.26
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8	Gujarat	27	563.36	260.40
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9	Haryana	22	111.76	63.53
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10	Himachal Pradesh	18	52.05	40.89
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11	Jammu & Kashmir	2	9.76	9.64
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12	Karnataka	28	358.86	192.50
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13	Kerala	5	75.26	29.00
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14	Madhya Pradesh	10	33.80	25.82
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15	Maharashtra	8	355.65	177.82
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16	Meghalaya	11	40.76	40.76
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17	Nagaland	6	39.63	14.61
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18	Orissa	6	43.29	14.56
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19	Punjab	17	106.18	73.60
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20	Rajasthan	9	145.09	89.44
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21	Sikkim	13	10.21	10.21
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22	Tamilnadu	12	331.06	96.44
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23	Tripura	10	91.02	91.02
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24	Uttar Pradesh	41	198.44	133.79
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26	West Bengal	16	160.03	93.77
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(iii) Ministry of Textiles operates the Scheme for Integrated Textile Parks (SITP) to provide world class infrastructure for setting up textile units. During the last three years 40 projects have been sanctioned and details of the projects are in Table -3 below:

Table – 3:

Sl	State	Number of Projects	Total Cost	GOI Grant in
		in Rs. crore	Rs. crore	

1	Andhra Pradesh	5	583.39	156.80
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2	Gujarat	7	801.61	280.00
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3	Karnataka	1	84.92	33.96
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4	Madhya Pradesh	1	88.92	35.57
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5	Maharashtra	9	970.50	327.58
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6	Tamilnadu	8	699.53	248.95
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7	Rajasthan	5	447.72	176.83
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8 Punjab	3	351.91	120.00
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9 West Bengal	1	104.00	40.00
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(iv) Ministry of Micro, Small and Medium Enterprises implements Micro & Small Enterprises – Cluster Development Programme in line with the cluster development approach to enhance productivity and competitiveness as well as capacity building of Micro and Small enterprises. 80 projects have been sanctioned under the Scheme during the last three years and details of the projects are in Table 4 below:

Table -4:

Sl	State	Number of Projects	GOI Grant in Rs. crore
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1	Andhra Pradesh	1	0.19
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2	Arunachal Pradesh	2	1.60
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3	Assam	18	10.51
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4	Chhatishgarh	4	1.04
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5	Gujarat	1	0.17
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6	Jammu & Kashmir	4	1.70
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7	Karnataka	1	0.51
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8	Kerala	1	0.37
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9	Madhya Pradesh	4	0.81
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10	Maharashtra	7	2.41
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11	Orissa	1	0.26
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12	Rajasthan	13	5.38
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13	Tamilnadu	20	7.07
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14	West Bengal	3	0.60
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(f): In the proposed New Manufacturing Policy of the Department of Industrial Policy & Promotion, it is proposed to create an ecosystem for public-private partnership to create large scale manufacturing zones. It is expected that the States would further develop this infrastructure to promote manufacturing activities in the National Investment and Manufacturing Zones (NIMZs).

The Delhi-Mumbai Industrial Corridor is another instance of proposed large scale development of industrial infrastructure in a band on either side of the Western Dedicated Freight Corridor covering parts of the States of Uttar Pradesh, Haryana, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra. The project aims at creating a strong and state of the art infrastructure to activate local commerce, enhance investments and attain sustainable development.

Infrastructure projects not only have a long gestation period but involve large investment. Union Budget 2011-12 has announced setting up Infrastructure Debt Funds (IDFs) in order to accelerate and enhance the flow of long term debt in infrastructure projects. An IDF may be set up either as a trust fund to be regulated by Security and Exchange Board of India (SEBI) or as a company to be regulated by Reserve Bank of India. IDFs through innovative means of credit enhancement are expected to provide long term low cost debt for infrastructural projects by tapping into sources of savings like insurance and pension funds.