

an>

Title : Need to provide a package of incentives for Industrial development in Andhra Pradesh.

SHRI M. RAJA MOHAN REDDY (NARASARAOPET): Centre have offered a package of incentives to certain states excluding Andhra Pradesh for attracting industrial investments by giving exemption in Central Excise and Sales Tax, besides exemption from Income Tax for 10 years. This has resulted in exodus of industries from Andhra Pradesh.

Andhra Pradesh has already suffered heavily during the last 10 years, lagging behind in the National Averages in terms of growth in the manufacturing sector. No new major industrial project has come into the State in the last 10 years. The average annual growth of industries has fallen from 2.4% to 1.1%. The State had accounted for only 4% of the total FDI inflow into the country in the last decade.

It is requested that Central Government should consider offering similar incentives to one most Backward District in each of the three regions viz, Coastal Andhra Pradesh, Telangana & Rayalaseema as are being offered in Uttranchal & Himachal Pradesh in respect of promotion of manufacturing industries.