

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
LOK SABHA**

**UNSTARRED QUESTION NO. 475.
TO BE ANSWERED ON TUESDAY, THE 03RD FEBRUARY, 2026.**

**LIMITED INDUSTRIAL INVESTMENT IN NON-METRO AND SEMI-ARID
DISTRICTS**

475. SHRI DHARAMBIR SINGH:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether industrial investment remains concentrated in select regions;
- (b) whether district-wise industrial gap analysis has been conducted;
- (c) whether infrastructure constraints deter investors from semi-arid districts;
- (d) whether incentives exist for industries in backward regions;
- (e) whether single-window clearance systems are effective at district level; and
- (f) whether Bhiwani–Mahendragarh will be included under targeted industrial promotion initiatives to attract manufacturing, generate employment and ensure balanced regional growth and if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI JITIN PRASADA)**

- (a) to (e):** The primary responsibility of developing the industrial sector rests with State Governments. States adopt different policy measures to promote industrial development. The Union Government supplements efforts of State Governments to promote industrialization and provide an enabling eco-system for the overall development of industrial sector through various schemes such as the Scheme for Investment Promotion, Ease of Doing Business (EoDB), Industrial Infrastructure Upgradation Scheme, Product Linked Incentive Scheme, Integrated Manufacturing Cluster (IMC) under National Industrial Corridors, Startup India etc.

Government of India is developing various Industrial Corridor Projects as part of National Industrial Corridor Development Programme (NICDP) which is aimed at development of greenfield industrial areas/region/nodes in India which can compete with the best manufacturing and investment destinations in the world.

Till date Government of India has approved the development of 20 projects under National Industrial Corridor Development Programme (NICDP).

Industrial parks have emerged as a principal vehicle for accelerating the country's industry and innovation agenda. Developed in partnership with state governments and the private sector, these parks are reinforcing India's industrial base by promoting investment, progress-driven development, and economic ascendancy. They stimulate employment generation while also encouraging sustainable development. There are currently 306 plug-and-play industrial parks in India, and an additional 20 plug-and-play industrial parks and smart cities are being developed under the National Industrial Corridor Development Corporation (NICDC).

AURIC (Shendra-Bidkin Industrial Area) in Chhatrapati Sambhajnagar, Maharashtra recently marked its sixth anniversary, celebrating a journey of industrial progress, global investments, and sustainable growth. It is one of India's first Greenfield Industrial Smart Cities developed under the National Industrial Corridor Development Programme (NICDP). The region is supported by multi-modal connectivity, including the Samruddhi Mahamarg, proposed Sambhajnagar–Pune Greenfield Expressway, Jalna Dry Port, and proximity to Aurangabad Airport and major rail links. These connectivity initiatives, aligned with PM GatiShakti, enhance logistics efficiency and make AURIC a competitive investment hub.

The Government of India has launched several region-specific initiatives to ensure balanced industrial growth in backward, hilly, remote, and strategically important regions namely:-

- (i) **UNNATI (Uttar Poorva Transformative Industrialization Scheme):** The Scheme was launched on 09th March, 2024 for extending support to the Industries for enhancing regional infrastructure, create employment opportunities, and promote resilience and prosperity in the region. Under the UNNATI Scheme, the following incentives are provided to the industrial Units:-
 - Capital Investment Incentive (CII)
 - Capital Interest Subvention (CIS)
 - Manufacturing & Services linked incentive (MSLI)
- (ii) Four New Components under the existing Central Sector Scheme of **Special Development Packages (SDPs)** for Assam and Tripura was approved by the Cabinet in August 2025 with a total outlay of Rs.4,250 crore. It will improve the socio-economic condition of vulnerable & marginalized groups of people who have not benefited adequately from various existing Government schemes, boost employment opportunities, provide health services, promote education and skilling and income through livelihood activities for youth and women; and

increase inflow of tourists from other parts of the country, thereby creating additional employment and livelihood opportunities for the people of the North Eastern Region.

(iii) The Government of India has notified the **New Central Sector Scheme (NCSS), 2021** for Industrial Development of Union Territory of Jammu and Kashmir with financial outlay of ₹28,400 Crore for encouraging new investments. The incentives being provided under New Central Sector Scheme (NCSS) are as under:

- Capital Investment Incentive (CII)
- Capital Interest Subvention (CIS)
- Goods & Services Tax Linked Incentive (GSTLI)
- Working Capital Interest Subvention (WCIS)

Government of India has taken several measures to promote the growth of manufacturing sector and create more employment opportunities. 'Make in India' initiative was launched on 25th September 2014 to facilitate Investment, foster Innovation, build best in class Infrastructure, and make India a hub for manufacturing, design, and innovation. Presently, Make in India 2.0 focuses on 27 sectors including 15 manufacturing sectors, implemented across various Ministries and Departments and State Governments. The list of sectors under Make in India 2.0 is enclosed at **Annexure I**.

To further the Make in India initiative, Government of India has announced the National Manufacturing Mission (NMM) in the Union Budget 2025-26 with an outlay of ₹ 100 crore. The Mission will lay emphasis on five focal areas i.e. ease and cost of doing business; future ready workforce for in demand jobs; a vibrant and dynamic MSME sector; availability of technology; and quality products.

Further, keeping in view India's vision of becoming 'Aatmanirbhar' and to enhance India's manufacturing capabilities and exports, Production Linked Incentive (PLI) schemes have been launched for 14 key sectors with an outlay of Rs. 1.97 lakh crore. These schemes have the potential of significantly boosting production, increasing manufacturing output and contributing to faster economic growth in future. The purpose of the PLI Schemes is to attract investments in key sectors and cutting-edge technology; ensure efficiency and bring economies of size and scale in the manufacturing sector and make Indian companies and manufacturers globally competitive. These schemes have the potential of significantly boosting production, employment and economic growth over the next five years or so. PLI Schemes have resulted in an employment generation of over 12.60 lakhs (direct and indirect). The PLI Schemes have received 806 applications across all 14 sectors from various parts of the country including semi-arid districts and backward regions. PLI Schemes have resulted in an employment generation of over 12.60 lakhs (direct and indirect).

The other major initiatives include Start-up India, National Single Window System, GIS enabled Land Bank, Foreign Direct Investment (FDI) policy reforms, PM Gati Shakti National Master Plan for integrated planning of multimodal infrastructure, Project Monitoring Group to remove bottlenecks in setting up of major infrastructure projects, setting up of industrial parks, interventions to improve ease of doing business, measures for reduction in compliance burden, rationalization of labor laws, introduction of Goods and Services Tax, reduction in the corporate tax rate, policy measures to boost domestic manufacturing through public procurement orders, Phased Manufacturing Programme (PMP) and Quality Control Orders (QCOs), to name major ones.

The Government of India has actively engaged in improving the Ease of Doing Business environment in the entire country. To enhance the business atmosphere in India, attract investments, stimulate economic growth and to foster a regulatory framework that is business- friendly, Central Government has taken several initiatives under the Ease of Doing Business initiative which includes Business Reform Action Plan (BRAP), the Business-Ready assessment, Jan Vishwas and Reducing Compliance Burden on Businesses and Citizens.

To facilitate a single interface for investors, DPIIT has promoted the adoption of National Single Window Systems (NSWS) by States and Union Territories. The portal accessible through nsws.gov.in, is a one-stop digital platform for facilitating Government to Business (G2B) approvals and investor-related clearances for the industry. It streamlines the G2B approvals process by creating information symmetry and minimizing the need to visit multiple Departmental portals.

Further, the Business Response Action Plan (BRAP) initiative was launched by the Department in 2014 aiming to promote transparency, simplify regulatory procedures, and enhance service delivery across all the States and UTs, thereby cutting down on time and costs for businesses.

Recognizing that businesses often interact with district-level institutions, the need to extend EoDB reforms to the grassroots level was emphasized during the National Conference of Chief Secretaries held in December 2024. In response, DPIIT has launched the District Business Reform Action Plan (DBRAP)—a State-led initiative aimed at localizing BRAP at the district level. DBRAP is designed to strengthen last-mile delivery, improve service quality, and accelerate regional development by equipping districts with robust institutional and digital infrastructure. These reforms will be implemented across District Collectorates, Development Authorities, and Urban Local Bodies, which play a critical role in regulatory approvals, inspections, and business facilitation.

Under DBRAP, Reforms 1–43 require that all identified services at the district level be delivered end-to-end through an online system, covering every stage of

the business lifecycle— registration, renewal, transfer, amendment, and cancellation or surrender—without any physical touchpoints. These services are to be provided through the State Single Window System. In addition to these 43 services, the Single Window Guidebook issued by DPIIT in June 2025 identifies 80 additional services that all States and Union Territories are mandated to make fully online, further strengthening the effectiveness of the Single Window ecosystem including at the district level.

To ensure timely service delivery, services not already covered under the Public Service Guarantee (PSG) Act or equivalent legislation are required to be notified with clear timelines. District authorities are responsible for ensuring that all applications are processed strictly within these prescribed timelines while coordinating with relevant State Government departments to achieve seamless implementation. Although the district's facilitation role is common across services, evidence of compliance must be maintained and submitted separately for each service and approval type.

Together, these measures are aimed at improving transparency, reducing physical interface, enhancing predictability, and ensuring efficient and uniform service delivery for businesses at the district level through an effective Single Window Clearance System.

- (f):** The Government of India, under the National Industrial Corridor Development Programme (NICDP) and Delhi–Mumbai Industrial Corridor (DMIC), is developing an Integrated Multi Modal Logistics Hub (IMLH) in Mahendragarh district, Haryana, through a joint venture SPV—NICDC Haryana Multi Modal Logistic Hub Project Limited (GoI–NICDIT and Govt. of Haryana–HSIIDC). Approved in May 2018, the project aims to develop a world-class freight village on PPP mode, leveraging traffic from the Western Dedicated Freight Corridor and northern states. The hub will support rail-based freight with high-capacity operations and offer container handling, warehousing (bonded and general), maintenance yards, and value-added services such as packaging, labeling, and assembly.

Upon completion, the project is expected to deliver significant economic benefits, including projected employment generation of over 4000 direct and 6000 indirect jobs across the logistics ecosystem, reduced logistics and fuel costs, lower pollution and accident rates, increased exports, and higher state tax revenues.

**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) to (e) OF THE LOK SABHA
UNSTARRED QUESTION NO. 475 FOR ANSWER ON 03.02.2026.**

Manufacturing Sectors

- i. Aerospace and Defence
- ii. Automotive and Auto Components
- iii. Pharmaceuticals and Medical Devices
- iv. Bio-Technology
- v. Capital Goods
- vi. Textile and Apparels
- vii. Chemicals and Petro chemicals
- viii. Electronics System Design and Manufacturing (ESDM)
- ix. Leather & Footwear
- x. Food Processing
- xi. Gems and Jewellery
- xii. Shipping
- xiii. Railways
- xiv. Construction
- xv. New and Renewable Energy

Service Sectors

- i. Information Technology & Information Technology enabled Services (IT &ITeS)
- ii. Tourism and Hospitality Services
- iii. Medical Value Travel
- iv. Transport and Logistics Services
- v. Accounting and Finance Services
- vi. Audio Visual Services
- vii. Legal Services
- viii. Communication Services
- ix. Construction and Related Engineering Services
- x. Environmental Services
- xi. Financial Services
- xii. Education Services
