

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

UNSTARRED QUESTION NO:2979

ANSWERED ON:22.08.2006

NO- INDUSTRY DISTRICT

Agarwal Shri Dharendra;Chavda Shri Harisinh Pratapsinh

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

- (a) the number of districts identified as no-industry districts at present, State-wise;
- (b) the criteria laid down for declaring any district as no-industry district;
- (c) the efforts made by the Government to undertake developmental works in no-industry district; and
- (d) the success achieved by the Government as a result of the efforts made therein?

Answer

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

(a) Department of Industrial Policy & Promotion has not carried out any exercise to identify 'no-industry' districts. However, Ministry of Finance has notified 53 districts as category-A and 70 districts as category-B industrially backward districts for the purposes of Income Tax concessions. The notification mentioning these districts is at Annex.

(b) Districts which satisfied the following conditions were notified by Ministry of Finance as industrially backward category-A districts:

- i. The district had a total weighted index count of 250 or less in the All-India Gradation List, or
- ii. The district was a 'no industry' district as indicated in the All India Gradation List, which was prepared on the basis of financial, infrastructural and industrial parameters, or
- iii. The district was an inaccessible hilly area district as indicated in the Eighth Plan Document and had a total weighted index count of 500 or less in the All India Gradation List, or
- iv. The district had no railhead as on 1.4.1994 and had a total weighted index count of 500 or less in the All India Gradation List.

(c)&(d): Concerted efforts are being made by State and Central Governments for development of backward areas under various schemes inter-alia providing for fiscal concessions, improved industrial infrastructure and a conducive investment climate for setting up of industries. These include the Growth Centre Scheme, Industrial Infrastructure Upgradation Scheme, North-East Industrial Policy Package, Special Category States Package, Integrated Development of Leather Sector and Industrial Parks Scheme being operated by the Department of Industrial Policy & Promotion.

ANNEXURE

Annexure referred to in reply to Lok Sabha Unstarred Question No.2979 for answer on 22-8-2006

Notification: S.O.714(E)

Section(s) Referred: 80IA

Statute: INCOME TAX

Date of Issue: 7/10/1997

In exercise of the powers conferred by section 80-IA of the Income-tax Act, 1961, (43 of 1961), as amended by section 3 of the Income-tax (Amendment) Ordinance, 1997 (15 of 1997), and in supersession of the notification of the Government of India, Ministry of Finance, Department of Revenue (Central Board of Direct Taxes) number 636(E), dated 3rd September, 1997, except as respects things done or omitted to be done before such supersession, the Central Government specifies the following districts as industrially backward districts of category 'A' and category 'B' under sub-clause (c) of clause

(iv) of sub-section (2) of section 80-IA read with rule 11EA of the Income-tax Rules, 1962, namely :

A. CATEGORY 'A' INDUSTRIALLY BACKWARD DISTRICTS

1. Godda Bihar

2. Gumla Bihar
3. Araria Bihar
4. Gadchiroli Maharashtra
5. Madhepura Bihar
6. Sidharthanagar Uttar Pradesh
7. Dumka Bihar
8. Mandla Madhya Pradesh
9. Khagaria Bihar
10. Kishanganj Bihar
11. Malda West Bengal
12. Palamau Bihar
13. Phulbani Orissa
14. Madhubani Bihar
15. Kalahandi Orissa
16. Jehanabad Bihar
17. Saharsa Bihar
18. West Dinajpur West Bengal
19. Nawadah Bihar
20. Bahraich Uttar Pradesh
21. Sitamarhi Bihar
22. Sahebganj Bihar
23. Murshidabad West Bengal
24. Cooch Behar West Bengal
25. Bankura West Bengal
26. Panna Madhya Pradesh
27. Pratapgarh Uttar Pradesh
28. Maharajganj Uttar Pradesh
29. Jalore Rajasthan
30. Aurangabad Bihar
31. East Champaran Bihar
32. Banda Uttar Pradesh
33. Barmer Rajasthan
34. Purnia Bihar
35. Bastar Madhya Pradesh
36. Siwan Bihar
37. Vaishali Bihar
38. Basti Uttar Pradesh
39. Sarguja Madhya Pradesh
40. Chamoli Uttar Pradesh
41. Jaisalmer Rajasthan
42. Lohardagga Bihar
43. Chhatarpur Madhya Pradesh
44. Uttarkashi Uttar Pradesh
45. Churu Rajasthan
46. Wayanad Kerala
47. Idukki Kerala
48. Jalpaiguri West Bengal
49. Almora Uttar Pradesh
50. Pithoragarh Uttar Pradesh
51. Tehri Garhwal Uttar Pradesh
52. The Dangs Gujarat
53. Banswara Rajasthan .

B. CATEGORY `B` INDUSTRIALLY BACKWARD DISTRICTS:

1. Srikakulam Andhra Pradesh
2. Mahbubnagar Andhra Pradesh
3. Katiyar Bihar
4. Bhagalpur Bihar
5. Gopalganj Bihar
6. Darbhanga Bihar
7. West Champaran Bihar
8. Saran Bihar
9. Bhojpur Bihar
10. Samastipur Bihar
11. Deoghar Bihar
12. Nalanda Bihar
13. Gaya Bihar
14. Muzaffarpur Bihar
15. Rohtas Bihar
16. Banaskantha Gujarat
17. Sabarkantha Gujarat
18. Bidar Karnataka
19. Seoni Madhya Pradesh
20. Tikamgarh Madhya Pradesh
21. Shivpuri Madhya Pradesh
22. Balaghat Madhya Pradesh
23. Jhabua Madhya Pradesh

24. Sidhi Madhya Pradesh
25. Vidisha Madhya Pradesh
26. Raigarh Madhya Pradesh
27. Morena Madhya Pradesh
28. Betul Madhya Pradesh
29. Rajgarh Madhya Pradesh
30. Rajnandgaon Madhya Pradesh
31. Sagar Madhya Pradesh
32. Beed Maharashtra
33. Bolangir Orissa
34. Mayurbhanj Orissa
35. Balasore Orissa
36. Ganjam Orissa
37. Dungarpur Rajasthan
38. Dholpur Rajasthan
39. Sawai Madhopur Rajasthan
40. Tonk Rajasthan
41. Nagaur Rajasthan
42. Jhalawar Rajasthan
43. Sikar Rajasthan
44. Hardoi Uttar Pradesh
45. Lalitpur Uttar Pradesh
46. Hamirpur Uttar Pradesh
47. Badaun Uttar Pradesh
48. Fatehpur Uttar Pradesh
49. Azamgarh Uttar Pradesh
50. Etah Uttar Pradesh
51. Barabanki Uttar Pradesh
52. Etawah Uttar Pradesh
53. Deoral Uttar Pradesh
54. Ghazipur Uttar Pradesh
55. Ballia Uttar Pradesh
56. Jaunpur Uttar Pradesh
57. Sitapur Uttar Pradesh
58. Jalaun Uttar Pradesh
59. Unnao Uttar Pradesh
60. Faizabad Uttar Pradesh
61. Kanpur Dehat Uttar Pradesh
62. Mainpuri Uttar Pradesh
63. Gonda Uttar Pradesh
64. Farukhabad Uttar Pradesh
65. Sultanpur Uttar Pradesh
66. Mirzapur Uttar Pradesh
67. Mau Uttar Pradesh
68. Purulia West Bengal
69. Birbhum West Bengal
70. Midnapore West Bengal

Explanation. - For the purpose of this notification, the districts correspond to the districts mentioned in the report of the study group on Identification of backward districts dated 4th October, 1994, and are based on districts as they stood in the Census Report of 1991. Where a district specified as an industrially backward district for the purpose of section 80-IA is reorganised, either by split or otherwise, after the Census Report of 1991, all the areas comprised in the district as it existed in the Census Report of 1991 will qualify for the purpose of this rule.

2. This notification shall be deemed to have come into force with effect from the 1st day of October, 1994.

EXPLANATORY MEMORANDUM

The Central Government had set up a study group to identify industrially backward districts for the purposes of section 80-IA of the Income-tax Act, 1961. The group submitted its report to the Central Government in the month of October, 1994. The Central Government constituted another study group to review the said report. On the basis of the reports of both the study groups, the Central Government decided that the industrially backward districts should be classified into two categories, i.e., category 'A' and category 'B'. Section 80-IA was amended by the Income-tax (Amendment) Ordinance, 1997 (15 of 1997), so as to classify the industrially backward districts of category 'A' and industrially backward districts of category 'B'. The said Ordinance has come into force on the 16th September, 1997. Rule 11EA of the Income-tax Rules, 1962, has also been amended retrospectively with effect from 1-10-1994 so as to give effect to the amendment made in section 80-IA of the Income-tax Act by the said Ordinance. It is certified that the retrospective operation of this amendment shall not prejudicially effect the interest of assesseees.

(Sd.) Dr. Dheeraj Bhatnagar, Under Secretary to the Government of India.

[Notification No. 10441/F. No. 142/20/94-TPL(Pt. III)].

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