

infrastructure development along the Vizag-Chennai Industrial Corridor (VCIC) on 20th September, 2016. This amount comprises (i) \$ 500 million two-tranche facility to build key infrastructure (ii) \$ 125 million two-tranche loan to help with industrial policies and business promotion (iii) \$ 5 million grant from the multi-donor Urban Climate Change Resilience Trust Fund that is managed by ADB to build climate resilient infrastructure, and (iv) \$ 1 million technical assistance to help the Andhra Pradesh local Government to manage the corridor. India and ADB have signed first tranche of loan USD 375 million pact for loans and grants to develop Visakhapatnam-Chennai Industrial Corridor. Detailed Project Reports (DPR) for the first tranche has been prepared. First tranche loan will have a 25 year term, including a grace period of 5 years, a 20 year straight line repayment method at an annual interest rate determined in accordance with ADB's LIBOR-based lending facility.

Merger of commodity boards

1444. SHRI D. RAJA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is considering a proposal to merge all the Commodity Boards and set up an umbrella organisation; and

(b) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) No, Sir. There is no proposal for merging of Commodity Boards and setting up an umbrella organization.

(b) Does not arise.

Incentives for promotion of domestic manufacturing of goods

1445. SHRI SAMBHAJI CHHATRAPATI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is aware that serious entrepreneurs are presently inclined to opt for trading rather than manufacturing of goods because of heavy taxes and feeble support available to them from Government;

(b) whether Government has any proposal under consideration to grant exemption in taxes and extend other necessary support to promote domestic manufacturing of goods to decrease imports and to create additional employment for the qualified unemployed youth; and

(c) the reaction of Government on (a) and (b) above?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) During last two years the number of registrations for new companies was more in the manufacturing sector as compared to the trading sector. The details are given below in the table:—

| Year | Number of companies registered during the year | |
|---------|--|---------|
| | Manufacturing | Trading |
| 2015-16 | 10,542 | 8067 |
| 2014-15 | 8790 | 6436 |

Source: Ministry of Corporate Affairs (Annual Reports)

(b) and (c) For incentivizing domestic production and to promote 'Make in India', changes in Customs and Central Excise duties in respect of certain items are proposed in the Annual Budget 2017-18. In addition to this, the Government has taken a number of measures to promote domestic manufacturing in the country. This, *inter alia*, include launch of 'Make in India' initiative in 2014, simplification and rationalization of the Foreign Direct Investment (FDI) Policy, building of industrial corridors, taking proactive steps to ease doing business environment in the country. Further, the Government also proactively identifies and addresses instances of inverted duty structure, in consultation with industry, in such cases where the import duty on finished products are lower than that of the inputs for the finished products. Such correction of duty inversion provides level playing field to the domestic industries by encouraging domestic value addition and discouraging imports of such final products.

Incentives for revival of sick or closed manufacturing units

1446. SHRI SAMBHAJI CHHATRAPATI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is aware that a large number of manufacturing units in the country have either shut down in recent past or on way to closure because of high production cost and variety of taxes in comparison to import of similar goods;

(b) what concrete policy Government is planning to introduce to promote domestic production of goods and bring curbs on import of goods which could be manufactured indigenously; and

(c) if so, the details on (a) and (b) above?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) to (c) The main reasons