

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

UNSTARRED QUESTION NO:2504

ANSWERED ON:16.12.2008

MANUFACTURING POLICY

Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita;Yadav Shri Anirudh Prasad (Sadhu);Yaskhi Shri Madhu Goud

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

- (a) Whether the Government has set up a Committee to review the manufacturing policy;
- (b) if so, the details thereof alongwith the objective thereof;
- (c) whether the Committee has submitted its recommendations to the Government;
- (d) if so, the details thereof; and
- (e) the details of action taken, if any, by the Government on the aforesaid recommendations?

Answer

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

(a) to (e): The Government set up a Committee under the Chairmanship of Chairman, National Manufacturing Competitiveness Council (NMCC) to look into measures for ensuring growth of the manufacturing sector. Other Members of the Committee were Secretary, Finance, Secretary, Department of Revenue, Secretary, Department of Commerce, Secretary, DIPP, Secretary, Textiles and Secretary, NMCC is its Member Secretary. The term of reference of the Committee was to suggest policy measures and a continuing mechanism to ensure sustained growth of the Indian manufacturing industries for the next 15 years; to suggest policy measures and immediate steps to reverse the recent deceleration in the growth of the manufacturing industries, to suggest policy measures and immediate steps to boost exports of Indian manufactured goods in the face of appreciation of the rupee and high interest rates, particularly with respect to labour intensive sectors like textiles, leather and handicrafts, to suggest policy measure to leverage FDI to modernize manufacturing in India and create a strong technological base. The Committee has since submitted its report. The recommendations of the Committee principally suggested that there should be a greater focus on manufacturing in the country to make it a major manufacturing hub of the World. The Committee recognized that furthering of economic reforms and ensuring macro-economic stability should form the foundation on which the policies for manufacturing growth need to be built. The report included recommendations in respect of a number of horizontal issues such as tax policies, trade policies, technology policy, FDI policy, regulatory policies etc. Development of the manufacturing sector is an ongoing process. However, the Government has accorded highest priority for the growth of this sector and initiated a number of measures in this regard.