

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

UNSTARRED QUESTION NO:174

ANSWERED ON:01.03.2005

PROMOTION OF MANUFACTURING SECTOR

Chinta Mohan Dr. ;Rao Shri Devarakonda Vittal;Suman Shri Ramji Lal

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

- (a) Whether average contribution of manufacturing sector in gross domestic production of the country is about seventeen per cent only;
- (b) If not, the facts in this regard;
- (c) Whether any target has been set keeping in view the potentiality of creation of maximum employment opportunities in this sector, to increase the share of said contribution;
- (d) If so, the details thereof and the time limit fixed for achieving the said target;
- (e) Whether the performance of the manufacturing sector in the country has been satisfactory; and
- (f) If not, the reasons thereof and measures taken to boost the manufacturing sector?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E. V. K. S. ELANGO VAN)

(a) & (b): Yes, Sir. According to Central Statistical Organization (CSO), the average share of manufacturing sector in GDP at factor cost during 2002-03 to 2003-04 was 17.15 per cent.

(c) to (f): During April-December 2004-05 the growth of production in the manufacturing sector was 9.0% as against 7.2% during the corresponding period of the previous year, as per the data on Index of Industrial Production (Base: 1993-94=100) released by Central Statistical Organisation.

In order to boost industrial production several policy measures have been taken which, inter-alia, include : setting up of National Manufacturing Competitiveness Council (NMCC), launching of Industrial Infrastructure Upgradation Scheme (IIUS), passing of Electricity Act 2003 , rationalization and reduction in indirect taxes.