

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

UNSTARRED QUESTION NO:2019

ANSWERED ON:22.11.2010

BOOST TO MANUFACTURING INDUSTRY

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

- (a) whether the growth rate of the industrial sectors has comparatively plummeted during the current year;
- (b) if so, the details thereof sector-wise/industry-wise including the capital goods and core sector during the last two years as compared to current year and the reasons therefor;
- (c) the number of industries closed down during the last year due to recent slowdown;
- (d) whether the Government proposes to formulate a National Manufacturing Policy to accelerate industrial growth in the country and increasing the share of manufacturing in the GDP;
- (e) if so, the details thereof alongwith the steps taken by the Government to arrest the recent downfall trend in the manufacturing sector;
- (f) whether any State Government including Chhattisgarh has requested for Industrial Package: and
- (g) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b) Overall rate of industrial growth as measured in terms of the Index of Industrial Production (IIP) has increased from 3.2% in 2008-09 to 10.5% in 2009-10. In the first six months of the current year, the overall growth at 10.2% is higher than the growth of 6.3% in the corresponding period of 2009-10 and 5.4% in 2008-09. Sector-wise growth of IIP has been as follows:

Rate of Growth of Industrial Production for Major Groups (per cent)

2008-09 2009-10 April-September

2008-09 2009-10 2010-11

Basic Goods 2.7 7.2 4.1 6.1 5.5

Capital Goods 8.2 20.9 12.4 5.2 24.3

Intermediate goods -1.8 13.6 0.8 9.3 10.4

Consumer Durables 4.7 24.6 7.5 18.6 23.2

Consumer Non Durables 6.1 0.4 7.9 -0.1 2.0

Overall Industries 3.2 10.5 5.4 6.3 10.2

(c): The details regarding number of industries closed down are not centrally maintained.

(d) & (e): A Draft Discussion Paper on National Manufacturing Policy has been placed on the website of DIPP for comments. The major objective envisaged in the draft policy is to increase the share of the manufacturing sector in the GDP through a wide range of measures, which among others include providing good physical infrastructure, support to clean and green technologies, appropriate investment incentives, and business friendly approval mechanisms.

(f) & (g): Requests have been received from Andhra Pradesh, Bihar, Chhattisgarh, Delhi, Goa, Gujarat, Jharkhand, Karnataka, Madhya Pradesh, Orissa, Puducherry, Punjab, Rajasthan, Uttar Pradesh and West Bengal or grants under special incentive package. Since these States/UTs do not suffer from adversities such as geographical isolation, inaccessible terrain, poor resources base, remoteness to larger market, poor Infrastructure etc. as prevailing in the states of Jammu & Kashmir, Himachal Pradesh, Uttarakhand and North Eastern States, they have not been considered for grant of any special incentive package.