

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

UNSTARRED QUESTION NO:209
ANSWERED ON:01.08.2011
FALL IN INDUSTRIAL PRODUCTION
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the industrial production has been declining year after year;
- (b) If so, the details thereof during the last two years as compared to the current year;and
- (c) the likely impact of such declining industrial output on economic growth and the corrective steps taken by the Government to boost the industrial growth?

Answer

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

(a) No, Madam.

(b) Rate of growth of industrial production, measured in terms of Index of Industrial Production (IIP) increased from 2.5% in 2008-09 to 5.3% in 2009-10 and 8.2% in 2010-11. In the first two months (April-May) of the current year 2011-12 overall industrial growth has been 5.7% compared to a growth of 10.8% in the corresponding period of the previous year.

(c) The Union Budget 2011-12, has clearly indicated that for sustained growth of GDP and productive employment for younger generation, it is imperative that the growth in manufacturing sector picks up. Government is considering a manufacturing policy, which will bring down the compliance burden on the industry through self-regulation and help make Indian industry globally competitive. This will improve the growth rates for manufacturing and industry.