

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

STARRED QUESTION NO:349

ANSWERED ON:19.12.2011

. GROWTH RATE IN CORE INDUSTRIES

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

(a) the details of the growth of the core industries/sectors, consumer goods, their contribution and weightage in the index of industrial production and on the Gross Domestic Product(GDP) for the last three years and the current year;

(b) whether the industrial growth rate has been varying amongst States in the country;

(c) if so, the details thereof alongwith the names of the States which posted higher growth during the last year as compared to the current year;

(d) whether due to international economic recession and the recent economic unrest in Greece and other European countries, several Indian industries have started reducing their production due to high production cost/interest rate; and

(e) if so, the details thereof?

Answer

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 349 TO BE ANSWERED ON 19TH DECEMBER, 2011 REGARDING 'GROWTH RATE IN CORE INDUSTRIES'.

(a): The details regarding growth rates of Core Industries and consumer goods sectors measured in terms of Index of Industrial Production (IIP) and their weightage in the IIP are given in the table below.

Growth Rate of Core Industries and Consumers Goods sector

(in percentage)

Sector	Weight	2008-09	2009-10	2010-11	2010-11	2011-12
in IIP	(April	(April				
	-October)	-October)				

Coal	4.4	8.0	8.1	-0.3	0.3	-5.5
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Crude Oil	5.2	-1.8	0.5	11.9	10.7	4.2
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Natural Gas	1.7	1.3	44.6	10.0	22.2	-8.3
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Refinery Products	5.9	3.0	-0.4	3.0	1.4	3.6
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Fertilizers	1.3	-3.9	12.7	0.0	-2.0	0.2
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Steel(Alloy +Non alloy)	6.7	1.9	6.0	8.9	8.3	8.7
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Cement	2.4	7.2	10.5	4.5	6.6	2.8
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Electricity	10.3	2.7	6.2	5.5	4.8	8.6
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Overall Core 37.9 2.8 6.6 5.7 5.9 4.3
Sector Index

Consumer Goods 29.8 0.9 7.7 8.6 9.1 3.7

The industrial sector comprising mining, manufacturing and electricity, which are the components of IIP, had a weight of 20.3% in the base year of 2004-05 in the GDP.

Contribution of industrial sector to GDP growth in 2008-09, 2009-10 and 2010-11 was 12.1%; 21.0% and 18.4%, respectively. In first half of current year, contribution of industrial sector to GDP growth was 13.3%

(b) & (c): The State-wise rate of growth of manufacturing sector (at constant 2004-05 prices) during 2008-09, 2009-10 and 2010-11 are indicated in Annex-1. Information on the rate of growth of the current year is not available.

(d) & (e): There has been a moderation in industrial growth in recent months. Moderation is partly due to the global economic uncertainty including in European countries and also the domestic factors, particularly hardening of interest rates. It is however, not possible to assess as to what extent each of these factors have individually contributed to the moderation in industrial growth.