

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

UNSTARRED QUESTION NO:872

ANSWERED ON:19.03.2012

TARGET FOR GROWTH RATE

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

- (a) whether the growth rate target fixed for infrastructure industries has been achieved during the last year and the current year;
- (b) if so, the details thereof;
- (c) whether the growth rate of some industries has declined during the current year as compared to the last year;
- (d) if so, the details thereof, sector-wise and the reasons therefor alongwith estimated number of jobs lost;
- (e) whether the Government has made any assessment of this slow down in industrial output; and
- (f) if so, the details thereof alongwith the corrective steps taken by the Government to achieve the targeted growth rate during the current year?

Answer

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

(a) & (b): The target fixed for the growth rate of infrastructure industries and the actual achievements during the last year and current year is at Annexure- I.

(c) to (e): The sector-wise details of industrial growth in terms of Index of Industrial Production (IIP) is given at Annexure II. The growth rate has declined for various industrial groups including Electrical machinery & apparatus, Machinery & Equipments, Textiles, Wearing Apparel, Chemical, Rubber and Plastic products. Factors that have accounted for decline in the industrial growth include moderation in the rate of growth of consumption expenditure, underperformance of the construction sector, hardening of interest rates and global economic uncertainty etc. No sector-wise assessment has been made of estimated number of jobs lost.

(f): Various steps have been taken by the government to boost industrial production which, inter-alia, include promotion and facilitation of industrial investment including the foreign direct investment; improvement in business environment; development of industrial and other infrastructure through public private initiatives; incentivizing research and development; and development of industry related skills. Government in November, 2011 also announced a National Manufacturing Policy with the objective of enhancing the share of manufacturing in GDP to 25% within a decade and creating 100 million jobs. The policy aims at bringing down compliance burden of industry through self-regulation and help industry to become globally competitive.