

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

UNSTARRED QUESTION NO:2531  
ANSWERED ON:10.12.2012  
MANUFACTURING SECTOR  
Meghwal Shri Arjun Ram

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

(a) whether the condition of manufacturing sector is deteriorating in India due to shortage of electricity and if so, the steps taken by the Government to overcome the problem of shortage of electricity for manufacturing sector; and

(b) the other measures in addition to the power generation suggested by the Planning Commission to improve the condition of manufacturing sector and the follow up action taken by the Government on the suggestions of the Planning Commission?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY(DR. S. JAGATHRAKSHAKAN)

(a): No information regarding deterioration in the condition of manufacturing sector due to shortage of electricity is available. As per information published in Annual General Review, "All India Electricity Statistics", by the Central Electricity Authority (CEA), the electricity consumption (end sales to ultimate consumers) in the industrial category (utilities and non-utilities) have registered an increase from 297621.16 MU in 2009-10 to 321117.48 MU in 2010-11.

However, in order to increase power generation in the country, various initiatives have been taken by the Government which includes development of Ultra Mega Power Projects, allocation of Captive Coal Blocks, New Hydro Policy, Private Sector Participation in Transmission Sector, National Action Plan for Climate Change, Jawaharlal Nehru National Solar Mission etc.

(b): The measures taken by the Government is the announcement of the National Manufacturing Policy (NMP) with the objective of enhancing the share of manufacturing in GDP to 25 percent and creating 100 million jobs over a decade or so. The Policy also seeks to put in place measures to improve industrial infrastructure including setting up of National Investment and Manufacturing Zones (NIMZs), simplify business regulation and incentivize clean technology; skill development; and investment in Micro, Small and Medium Enterprises (MSME).

The Delhi Mumbai Industrial Corridor (DMIC) Project is under implementation to create a strong economic base with globally competitive environment and state-of-the-art infrastructure along the Delhi-Mumbai Dedicated Freight Corridor of the Railways.

Other measures include promotion and facilitation of industrial investment including promotion of Foreign Direct Investment (FDI) through consolidation of various press notes into a single document; gradual liberalization and rationalization of FDI Policy; regular meetings with industry associations and stakeholders to fast track implementation of industrial projects etc.

The strategies and suggestions for improving domestic manufacturing contained in the Manufacturing Plan of the draft Twelfth Five Year document of the Planning Commission are already incorporated in the National Manufacturing Policy approved by the government in October, 2011.