

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3028  
ANSWERED ON:15.03.2013  
CUT IN INTEREST RATES  
Punia Shri P.L.

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government proposes to cut interest rates to push industrial development;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor; and
- (d) the other steps taken/being taken by the Government in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

- (a) No, Sir.
- (b) Does not arise.
- (c) Reserve Bank of India decides the policy rates under its Monetary Policy which influences the interest rates in the economy.
- (d) Some of the major steps taken/being taken by the Government to improve industrial growth of the country are as follows:
  - (i) The National Manufacturing Policy (NMP)-2011 has been announced with the objective of increasing the share of manufacturing in GDP to 25% and creating 100 million additional jobs over a decade.
  - (ii) As envisaged under NMP, eight National Investment and Manufacturing Zones (NIMZs) have been announced so far and four other NIMZs have been accorded 'in-principle' approval.
  - (iii) The Foreign Direct Investment (FDI) Policy has been simplified and rationalized.
  - (iv) Delhi Mumbai Industrial Corridor (DMIC) Project, the e-biz Mission Mode Project under the National e-Governance Plan, and creating a joint venture 'Invest India' in association with FICCI as a dedicated agency.
  - (v) Sectoral Ministries/Departments in the Government are also implementing various schemes and programmes and taking measures for boosting industrial growth of the respective sectors. For instance, the Ministry of Micro, Small and Medium Enterprises (MSME) is implementing the Prime Minister's Employment Generation Programme, which is specifically targeted to create self employment opportunities, through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth and programmes for assisting micro, small and medium enterprises in the area of credit, technology, skill development and marketing. The modernisation and technology upgradation programme with emphasis on Powerloom segment of the Ministry of Textiles and the Mega Food Parks Scheme of the Ministry of Food Processing Industries are other examples of schemes which contribute to increasing industrial production and employment.