

**GOVERNMENT OF INDIA  
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES  
LOK SABHA**

UNSTARRED QUESTION NO:3991  
ANSWERED ON:21.03.2013  
INCREASE IN PUBLIC EXPENDITURE BY PSUS  
Singh Shri Ravneet

**Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:**

- (a) whether the Government has directed the Public Sector Undertakings (PSUs) to increase public expenditure and contribute more to the manufacturing sector and National Gross Domestic Product (GDP);
- (b) if so, the details thereof; and
- (c) the manner in which the more is expected to accelerate economic growth in the country?

**Answer**

THE MINISTER OF HEAVY INDUSTRY AND PUBLIC ENTERPRISES (SHRI PRAFUL PATEL)

(a) to (c): Yes, Sir. The Hon'ble Prime Minister in his address to the CEO's of Central Public Sector Enterprises (CPSEs) at the MoU and SCOPE Awards Function in New Delhi on 31.1.2012, stated, 'We must increase the share of the manufacturing sector in our GDP from the present unsatisfactory level of 15%. The Central Public Sector Enterprises have a significant presence in areas such as machine tools, heavy transport, earth moving and mining equipment, shipbuilding, defense equipment, aerospace, heavy electrical equipment and nuclear power generation. I would urge the Central Public Sector Enterprises in these areas to embark upon ambitious plans of expansion to make the target of 12 to 14 percent growth in the manufacturing sector a living reality'.

All the sectors mentioned above by the Prime Minister have been identified as priority sectors under the National Manufacturing Plan. Together with the Private Sector, including the Micro, Small and Medium Enterprises (MSME) sector, the share of manufacturing is envisioned to go upto 25% of India's GDP by 2025. Every job created in manufacturing sector has a multiplier effect of creating two to three additional jobs in related sectors. A higher share of manufacturing in GDP, will entail creation of 220 million jobs by 2025 and will result in consequent inclusive economic growth.