

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

STARRED QUESTION NO:160

ANSWERED ON:16.12.2013

. MANUFACTURING SECTOR

Das Shri Ram Sundar;Singh Shri Bhola

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

(a) whether the condition of manufacturing sector is deteriorating due to shortage of electricity in the country;

(b) if so, the details thereof along with the measures suggested by the Planning Commission to improve the condition of the manufacturing sector and follow-up action taken by the Government on the suggestions of the Planning Commission;

(c) whether the Government has conducted study or constituted High Level Committee to enhance competitiveness and output in the manufacturing sector and to review the manufacturing policy; and

(d) if so, the details thereof along with the measures suggested by the said Committee and the follow-up action taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN)

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

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 160 FOR ANSWER ON 16TH DECEMBER, 2013 REGARDING "MANUFACTURING SECTOR".

(a) & (b): The Twelfth Plan document has stated that among other factors that affect industry, unreliable and inadequate power supply continues to be a serious impediment in spite of the considerable efforts made to enhance power generation capacity in the country. The Index of Industrial Production (IIP) measures separately performance of manufacturing sector as well as of electricity sector. Growth of manufacturing sector has moderated from 3.0% in 2011-12 to 1.3% in 2012-13, and there has also been moderation in the growth of electricity from 8.2 % in 2011-12 to 4.0 % in 2012-13. In the year 2013-14, during April-October 2013, growth in manufacturing has been marginally negative even as growth in electricity has been 5.3%.

The Planning Commission in the Twelfth Five Year Plan document has made various recommendations about the measures that are necessary for meeting the targets of industrial growth envisaged in the Plan period. These inter alia, include recommendations relating to policy, creation of new institutions and strengthening of existing institutions.

The Departments and Ministries in the Government take action for activities in their respective domain and in accordance with the resources available.

(c) & (d): The Government has constituted a High Level Committee on Manufacturing under the Chairmanship of Hon'ble Prime Minister vide Notification dated 10th April, 2006, for resolving policy issues that may arise in the implementation of the National Manufacturing Initiative as may be adopted by the Government as well as in the operationalisation of the plans for the growth of various sub-sectors of manufacturing.

A meeting of the High Level Committee on Manufacturing was held on 9th July, 2013 to discuss the growth strategy for steel industry and new competitiveness strategy for textiles industry and for formulating a long term approach for civilian aircraft manufacture, development of alternative fuel based transport-electric and hybrid, and advanced materials, alloys and composites. Short term and long term strategies for these areas were identified in this meeting.