

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

UNSTARRED QUESTION NO:3941
ANSWERED ON:20.03.2015
GROWTH IN MANUFACTURING SECTOR
Gandhi Dr. Dharam Vira

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

- (a) whether the Government has formulated or proposes to formulate an inclusive and concrete policy/ legislation to carry out substantive Administrative and Regulation reforms to accelerate stagnant growth in manufacturing industry;
- (b) if so, the details of intended measures and timeline of the proposed actions to accomplish the reforms thereof;
- (c) whether the Government intends to promote private sector participation in training and skill development endeavours in the manufacturing industry to generate a qualified human resource for sustained financial stability;
- (d) if so, the details thereof; and
- (e) the steps taken by the Government for modernisation of the institutional machinery of the industries which consistently face the threat of losing competitive advantage against the technological advances in industries of the substitute products with special reference to the plight of jute industry?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)

(a) & (b): The Government is continuously taking measures including inter alia administrative and regulatory measures to accelerate the growth of manufacturing sector in the country. For the creation of conducive business environment, the Government is constantly simplifying and rationalizing the processes and procedures for boosting investor sentiment, simplifying the Foreign Direct Investment (FDI) policy and correcting the inverted duty structure. Some of the recent initiatives towards this end include pruning the list of industries that can be considered as defence industries requiring industrial license, permissible extensions in the validity of industrial license up to seven years, treating partial commencement of production as commencement of production of all the items included in the license etc. The recent amendments in FDI policy include allowing FDI in Defence up to 49% and FDI in Railway infrastructure up to 100%, easing the norms for FDI in construction and exempting FDI in medical devices from sectoral restrictions of pharmaceuticals and raising permissible FDI in insurance from 26% to 49%.

Further, inter alia, the Government has launched the e-biz Mission Mode Project under the National e-Governance Plan, and 14 Central Services spanning a number of Ministries and Departments are now integrated in the e-Biz portal. Besides, the Government is implementing the Delhi Mumbai Industrial Corridor (DMIC) project. In addition, the Government has conceptualized Amritsar Kolkata Industrial Corridor, Chennai-Bengaluru Industrial Corridor, Bengaluru Mumbai Economic Corridor and the Vizag-Chennai Industrial Corridor (as the first phase of an East Coast Economic Corridor), and setting up a National Industrial Corridor Development Authority for coordinating and overseeing progress of the various industrial corridors.

The Government has launched a "Make in India" programme under which 25 thrust sectors have been identified. Information on these 25 thrust sectors has been put up on 'Make in India's web portal (<http://www.makeinindia.com>) along with details of FDI Policy, National Manufacturing Policy, Intellectual Property Rights and the envisaged National Industrial Corridors including the Delhi Mumbai Industrial Corridor (DMIC). An Investor Facilitation Cell in 'Invest India' has been created to assist, guide and handhold investors during the various phases of business life cycle under the Make in India initiative with provision of back end support up to the State level.

(c) & (d): The Government has set up a separate Ministry of Skill Development and Entrepreneurship for providing the necessary thrust for skill development. There are over 20 Central Ministries/Departments involved in implementation of more than 70 schemes for various skill development/entrepreneurship programmes, and a number of these schemes are implemented through Public Private Partnership providing training and other infrastructural facilities. The recent amendments to the Apprenticeship Act 1961 also facilitate the private industry's ability to take on apprentices.

(e): Ministry of Textiles has taken steps to address the plight of the jute industry. Some of the important measures undertaken include compulsory packaging of certain essential commodities under the Jute Packaging Material (Compulsory use in packaging commodities) Act 1987, and the Technology Upgradation Fund Scheme for modernization/ technology upgradation of textile industry which includes jute industry. Besides, the National Jute Board (NJB) runs various schemes for the promotion and development of various linkages of the Jute Value Chain.

