

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1946**  
TO BE ANSWERED ON DECEMBER 29, 2017

**MANUFACTURING SECTOR SHARE IN INDIA'S GDP**

1946. DR. GOKARAJU GANGA RAJU:

Will the Minister of FINANCE be pleased to state:

- (a) whether the manufacturing sector's share in India's GDP has remained stagnant despite the Government's efforts to increase it;
- (b) if so, the details thereof and the reasons therefor ;
- (c) whether in the absence of a proactive urbanisation strategy, there is likely a ribbon development takes place along the highways and haphazard development around the industrial areas; and
- (d) if so, the steps/measures taken/proposed to be taken by the Government to increase the manufacturing sector's share in India's GDP?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PON. RADHAKRISHNAN)

(a), (b) & (d) The Manufacturing sector's share in India's GDP (at constant basic prices) has increased from 17.4 per cent in 2014-15 to 18.1 per cent in 2016-17 with 18 per cent in first half of 2017-18 as given below.

**Share of Manufacturing as percent of GDP**

	2014-15	2015-16	2016-17	2017-18 (Apr - Sep)
Manufacturing Share	17.4	17.8	18.1	18.0

*Source: National Accounts Statistics*

The Government has taken several steps to enhance the share of manufacturing in GDP. Measures have been undertaken to enhance ease of doing business in the country some of which include initiation of online application for Industrial License and Industrial Entrepreneur Memorandum, integration of twenty services with the eBiz portal which functions as a single window portal for obtaining clearances from various Government agencies, limiting the number of documents required for export and import to three, simplification of application forms for Industrial Licence and Industrial Entrepreneur Memorandum. The Government has also identified ten 'Champion sectors' as part of Make in India version 2.0 that have potential to become global champions, drive double digit growth in manufacturing and generate significant employment opportunities.

(c) Cluster growth in industrial areas and ribbon developments along highways allow optimal use of transportation networks. Nonetheless, the Government appreciates the need for a more pro-active and flexible urban strategy. Mission for Smart Cities and other such programs are an effort in this direction.

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