

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
LOK SABHA**

**UNSTARRED QUESTION NO. 4825.
TO BE ANSWERED ON WEDNESDAY, THE 29TH MARCH, 2023.**

MANUFACTURING SECTOR

4825. SHRI T.R. BAALU:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether it is a fact that the manufacturing sector's share in Gross Domestic Product (GDP) has been stagnating at around 15% of GDP in the last eight years;
- (b) if so, the details thereof; and
- (c) the details of countermeasures taken by the Government to address this major issue including the outcome of improvements as a result of these remedial measures?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सोम प्रकाश)

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI SOM PARKASH)**

- (a) & (b): The share of manufacturing sector in Gross Domestic Product (GDP) at current prices in 2021-22 is 14.5 per cent. The details of manufacturing share in GDP in the last eight years are at Annexure-1.
- (c): To boost manufacturing sector growth, Government has undertaken various measures. These include introduction of Goods and Services Tax, reduction in Corporate tax, interventions to improve ease of doing business, measures for reduction in compliance burden, policy measures to boost domestic manufacturing through public procurement orders, Phased Manufacturing Programme (PMP), FDI policy reforms, etc.

The series of measures taken by the Government to improve the economic situation and convert the disruption caused by COVID 19 into an opportunity for growth includes Atmanirbhar packages, introduction of Production Linked Incentive (PLI) Scheme across fourteen sectors to augment the manufacturing capacity, investment opportunities under National Infrastructure Pipeline (NIP) and National Monetisation Pipeline (NMP), soft launch of National Single Window System (NSWS), etc. An institutional mechanism to fast-track investments has been put in place, in the form of Project Development Cells (PDCs) in all concerned Ministries/ Departments of Government of India.

The Emergency Credit Line Guarantee Scheme (ECLGS), with provision of Rs 3 lakh crore which has now been increased to Rs. 5 lakh crore, is in the form of a fully guaranteed emergency credit line to lending institutions. Financial support has been given to the stressed Micro, Small & Medium Enterprises (MSME) with infusion of Rs.20,000 crore equity support through Subordinate Debt. Fund of Funds has been created to infuse equity worth Rs.50,000 crore in the MSME Sector by setting up Rs.10,000 crore. Corpus Fund. Procurement from domestic companies is being encouraged by disallowing global tender in government procurement tenders upto Rs 200 crore. In Union Budget 2023-24, an amount of Rs 9,000 crore infused in the corpus of revamped Credit Guarantee Scheme for Micro & Small Enterprises (MSE) will be effective from 1st April, 2023. This would enable additional collateral-free guaranteed credit of Rs 2 lakh crore.

Government has also focused on infrastructure development. PM Gati Shakti, NMP & Logistics Policy facilitate development of infrastructure and last mile connectivity to reduce the logistic cost and increase the efficiency of the economy. Capital investment outlay in the Budget has increased almost 3 times from Rs. 3.39 lakh crore in 2019-20 to Rs. 10 lakh crore in 2023-24. This will enable more industries to be set up.

Annexure-I

**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE LOK SABHA
USTARRED QUESTION NO. 4825 FOR ANSWER ON 29.03.2023**

Share of Manufacturing Sector in GDP at current prices

Year	Manufacturing sector share (in percent)
2014-15	15.1
2015-16	15.6
2016-17	15.2
2017-18	15.0
2018-19	14.9
2019-20	13.5
2020-21	14.1
2021-22	14.5

Source: Ministry of Statistics & Programme Implementation
