GOVERNMENT OF INDIA MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP

LOK SABHA UNSTARRED QUESTION NO. 1794

ANSWERED ON 10.03.2025

PLAN TO INCREASE GDP AND EMPLOYMENT RATE

†1794. SHRI RAJESH RANJAN:

Will the Minister of SKILL DEVELOPMENT AND ENTREPRENEURSHIP be pleased to state:

- (a) whether the contribution of the manufacturing sector in GDP was 14.97% in the year 2014-15, whereas during the year 2023-24 its contribution to GDP was only 14.27% under the Make in India scheme and if so, the reasons therefor; and
- (b) whether the Government has any plan to increase the GDP and employment rate in the manufacturing sector and if so, the details thereof?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP

(SHRI JAYANT CHAUDHARY)

(a) & (b): As per the National Accounts Statistics released by Ministry of Statistics and Programme Implementation (MoSPI), the Gross Value Added (GVA) at constant prices of manufacturing sector has increased from Rs 16.83 lakh crore in 2013-14 to Rs 28.25 lakh crore in 2023-24 (first revised estimate). The share of the manufacturing GVA in overall GVA at constant prices increased from 17.3% in 2014-15 to 17.5% in 2023-24.

To increase the contribution of manufacturing in overall output and employment, the Government of India has taken several measures prioritizing infrastructure development, increased investments and a strengthened labour market. These efforts aim to ensure that manufacturing serves as a key driver of inclusive growth and economic development. 'Make in India' initiative has been launched to make India a hub for manufacturing, design, and innovation. Presently, 'Make in India' focuses on 27 sectors including 15 manufacturing sectors, implemented across various Ministries/Departments and State Governments. Further, keeping in view India's vision of becoming 'Aatmanirbhar' and to enhance India's manufacturing capabilities and exports, Production Linked Incentive (PLI) schemes have been launched for 14 key sectors. These include mobile and specified electronic components, drug intermediaries & active pharmaceutical ingredients, medical devices, automobiles and auto components, pharmaceuticals drugs, specialty steel, telecom & networking products, electronic/technology products, white goods (ACs and LEDs), food products, textile products, high efficiency solar PV modules, advanced chemistry cell (ACC) battery, and drones and drone components. These schemes have the potential of significantly boosting production, increasing manufacturing output and contributing to faster economic growth in future.

Government of India has approved 12 new project proposals under the National Industrial Corridor Development Programme (NICDP), objective of which is to expand the industrial output, increase employment opportunities, provide better living and social facilities for the new and growing workforce by way of providing 'plug n play' infrastructure at the plot level and to facilitate the manufacturing investments into the country by providing quality, reliable, sustainable and resilient infrastructure for the industries.

The other major initiatives include Start-up India, National Single Window System, GIS enabled Land Bank, Foreign Direct Investment (FDI) policy reforms, PM Gati Shakti National Master Plan for integrated planning of multi- modal infrastructure, Project Monitoring Group to remove bottlenecks in setting up of major infrastructure projects, setting up of industrial parks, interventions to improve ease of doing business, measures for reduction in compliance burden, rationalization of labour laws, introduction of Goods and Services Tax, reduction in the corporate tax rate, policy measures to boost domestic manufacturing through public procurement orders, Phased Manufacturing Programme (PMP) and Quality Control Orders (QCOs), to name major ones.
