

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION**

LOK SABHA

**UNSTARRED QUESTION NO. 2429.
TO BE ANSWERED ON MONDAY, THE 9TH MAY, 2016.**

INDUSTRIAL PRODUCTION

**2429. SHRI PREM DAS RAI:
SHRI LALLU SINGH:
SHRI HARISH MEENA:
SHRI R. GOPALAKRISHNAN:**

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

वाणिज्य एवं उद्योग मंत्री

- (a) the details of industrial production in the country during the last three years and sector and year-wise;
- (b) whether there has been a decline in the industrial production/industrial growth during the said period and if so, the details thereof, sector-wise including capital goods and manufacturing sectors along with the reasons therefor;
- (c) whether the water scarcity in different parts of the country has severely affected the industrial production of the country;
- (d) if so, the details thereof along with the action taken by the Government in this regard; and
- (e) the remedial steps taken or being taken by the Government to increase the industrial production?

ANSWER

**वाणिज्य एवं उद्योग राज्यमंत्री (स्वतंत्र प्रभार)(श्रीमती निर्मला सीतारमण)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)**

- (a) & (b):** The industrial production in the country is measured in terms of Index of Industrial Production (IIP) released by Central Statistics Office (CSO) at the base 2004-05. The details of the growth rates of IIP during the last three years, year-wise and sector wise including capital goods and manufacturing sector, is given in the Table at Annexure.

The reasons for the decline in industrial growth in recent past are, inter-alia, moderation in domestic demand, inflationary pressures, increase in input costs and slowdown in economies of other parts of the world. However, the growth rate in IIP, including capital goods and manufacturing sector, had improved in 2014-15.

(c) & (d): No such study has been conducted to assess the impact of water scarcity on the industrial production in the country. However, the Government is aware of water stress in many parts of the country. The Government has taken several steps to augment water storage and manage ground water level in the country. Central Ground Water Authority (CGWA) constituted under 'The Environment (Protection) Act, 1986' for the purpose of regulation and control of ground water development and management has issued advisory to States / Union Territories and Ministry of Urban Development to take necessary measures for adopting rain water harvesting / artificial recharge in all the Government buildings. Besides, 30 States / UTs have made rain water harvesting mandatory by enacting laws / formulating rules & regulations / by including provisions in building bye-laws / through suitable Government Orders, etc. Central Ground Water Board (CGWB) has also been organizing mass awareness programmes in the country to promote water harvesting. As per the Schedule-I of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), water conservation and water harvesting structures constitute a special focus area for MGNREGA works.

(e): The Government is continuously taking a number of measures to boost industrial production. These inter-alia, include Startup India initiative as well as 'Make in India' programme under which 25 thrust sectors to provide a major push to manufacturing in India have been identified. The steps taken to create ease of doing business include setting up of an Investor Facilitation Cell, launch of e-biz Portal and liberalising policy for industrial license for defence industries. The Foreign Direct Investment (FDI) policy and procedures have been simplified and liberalised progressively. For creation of state-of-art infrastructure, Government is implementing Delhi Mumbai Industrial Corridor (DMIC) project. In addition, a number of other industrial corridor projects have been conceptualized.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF LOK SABHA UNSTARRED QUESTION NO. 2429 FOR ANSWER ON 09.05.2016.

Table: Growth Rates of the Index of Industrial Production (IIP) (in percent)

Groups	Weights	Annual		
		2012-13	2013-14	2014-15
Sectoral classification				
Mining	141.57	-2.3	-0.6	1.5
Manufacturing	755.27	1.3	-0.8	2.3
Electricity	103.16	4.0	6.1	8.4
Use-based classification				
Basic goods	456.82	2.5	2.1	7.0
Capital goods	88.25	-6.0	-3.6	6.4
Intermediate goods	156.86	1.6	3.1	1.7
Consumer goods	298.07	2.4	-2.8	-3.4
i) Consumer Durables	84.60	2.0	-12.2	-12.6
ii) Consumer Non - Durables	213.47	2.8	4.8	2.8
Overall IIP	1000.00	1.1	-0.1	2.8

Source: Central Statistics Office (CSO).
