

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

UNSTARRED QUESTION NO:2687
ANSWERED ON:07.03.2003
GROWTH OF MANUFACTURING SECTOR
YEMPARALA VENKATESWARA RAO

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

- (a) whether according to the estimates of CII, the manufacturing sector has shown improvement;
- (b) if so, the Government's estimates in this regard; and
- (c) the sectors which have lagged behind during the current financial year alongwith reasons ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI CH. VIDYASAGAR RAO)

(a) and (b): Yes, Sir. The CII's ASCON Industry Review for the period April-December 2002 confirms the process of revival, growth and pick up in demand in many sectors in the manufacturing sector. As per the latest quick estimates on Index of Industrial Production (IIP) released by Central Statistical Organisation, the manufacturing sector registered a growth of 5.3% during April-December 2002 as compared to 3% registered during the corresponding period of last year.

(c): Consumer durable goods have been registering poor industrial growth during the current financial year. Marginal pick up in demand in the rural areas, competition from cheaper imports, poor infrastructure, especially poor availability and quality of power, increase in raw material costs are main reasons cited for poor growth in consumer durable goods.