

(in percent)

Sectors	Weights	June	July	Aug	Sep
Mining	14.157	-1.4	1.5	-4.1	-5.6
Manufacturing	75.527	11.2	3.2	4.0	2.1
Electricity	10.316	7.9	13.1	9.5	9.0
Overall IIP	100	9.5	3.8	3.6	1.9

(c) and (d) The reasons for moderation in industrial growth, among others include moderation in the rate of growth of consumption expenditure, under performance of the construction sector, hardening of interest rates resulting in increase in the cost of capital and global economic uncertainty. However, it is not possible to assess as to what extent each of these factors have individually contributed to a moderation in industrial growth.

(e) Government has taken a number of initiatives to revive the industrial climate and growth which includes promotion and facilitation industrial investment including foreign direct investment; improvement in business environment; development of industrial and other infrastructure through public-private initiatives; development of industry relevant skills etc. Government in November, 2011 also announced a National Manufacturing Policy, which aims at bringing down compliance burden of industry through self regulation and help industry to become globally competitive. The ultimate objective of the policy is for enhancing the share of manufacturing in GDP to 25% within a decade and creating 100 million jobs.

Steps to address crisis in traditional sectors

949. SHRI T.K. RANGARAJAN: Will the Minister of TEXTILES be pleased to state:

(a) whether Government has taken any necessary steps to address the crisis in traditional sectors like jute, textiles, plantation, handloom, coir, etc.; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRIMATI PANABAKA LAKSHMI): (a) and (b) As part of the Handloom package, Government has announced a six fold strategy to offer financial support to handloom weavers. Under the Scheme, weavers will be eligible to margin money assistance of Rs. 4200 to Rs. 5400 per head and interest subsidy of 3 percent on

loans for a period of 3 years and Weavers Credit Cards will be issued to eligible individual weavers to enable them to access loans upto Rs. 2 lakh in a period of 3 years without any collateral security. Government has convened stakeholders meetings at Ministerial level to assess the slowdown in the industry. The Cotton Advisory Board (CAB) and Cotton Yarn Advisory Board (CYAB) meetings held on 15th November 2011 assessed domestic mill consumption for 2011-12 at 210 lakh bales down from 240 lakh bales of cotton; and cotton yarn production down from 3900 million kgs to 3200 million kgs indicating the slowdown in textiles industry. Government is considering industry representations for a moratorium on loans for capital intensive requests and special relaxation in RBI's prudential norms to avoid asset reclassification or additional provisioning to address the textile industry slowdown.

Liberalisation of FDI regime

950. SHRI PARIMAL NATHWANI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) to what extent Government has liberalized the Foreign Direct Investment regime to attract more FDI;
- (b) how did it help in bringing FDIs during the last three years; and
- (c) the sectors of Indian business which accrued the increased FDI flow?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) and (b) The Government has put in place an investor-friendly policy on FDI, under which FDI, up to 100%, is permitted on the automatic route, in most sectors/activities. Significant changes have been made in the FDI policy regime in the recent times, to ensure that India remains increasingly attractive and investor-friendly. Foreign Direct Investment (FDI) policy is reviewed on an ongoing basis, with a view to making it more investor friendly. Financial year wise FDI equity inflows from April, 2008 to September, 2011 are as under :

Sl.No	Year (Apr-Mar)	FDI (Rs. crore)	FDI (US\$ million)
1.	2008-09	123,024.88	27,330.82
2.	2009-10	123,119.65	25,834.41
3.	2010-11	88519.37	19,426.90
4.	2011-12 (Apr-Sep)	86,271.45	19,136.84

- (c) Sector-wise equity inflows, from April, 2008 to September, 2011, is given in Statement.