

- (b) Products should be sold under the same brand internationally i.e. products should be sold under the same brand in one or more countries other than India.
- (c) 'Single Brand' product-retail trading would cover only products which are branded during manufacturing.
- (d) The foreign investor should be the owner of the brand.
- (e) In respect of proposals involving FDI beyond 51% mandatory sourcing of at least 30% of the value of products sold would have to be done from Indian 'small industries/village and cottage industries, artisans and craftsmen'. 'Small industries' would be defined as industries which have a total investment in plant and machinery not exceeding US \$ 1.00 million. This valuation refers to the value at the time of installation, without providing for depreciation. Further, if at any point in time, this valuation is exceeded, the industry shall not qualify as a 'small industry' for this purpose. The compliance of this condition will be ensured through self-certification by the company, to be subsequently checked, by statutory auditors, from the duly certified accounts, which the company will be required to maintain.

(c) and (d) Yes, Sir. Foreign Investment in Single Brand product trading is aimed at attracting investments in production and marketing, improving the availability of such goods for the consumer, encouraging increased sourcing of goods from India, and enhancing competitiveness of Indian enterprises through access to global designs, technologies and management practices.

(e) Does not arise.

Fall in industrial output

157. SHRI T.M. SELVAGANPATHI:

Dr. T. SUBBARAMI REDDY:

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

- (a) whether the industrial output has fallen during the last twenty months;
- (b) if so, the sector-wise reasons therefor;
- (c) the likely impact of such declining industrial output on economic growth and inflation;
- (d) whether the industrial growth rate has not been consistent in the recent past;
- (e) if so, the details thereof during the last three years, month-wise and the reasons therefor; and
- (f) the corrective steps to be taken by Government to boost the industrial growth?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (e) Industrial growth, measured in terms of the Index of Industrial Production (IIP), sector-wise, during last three years (2008-09, 2009-10, 2010-11) including the current year 2011-12, is given in the Statement (See below).

The IIP shows that in the last three years and current year, industrial growth has not shown a consistent pattern. In the recent past, the major sectors that have been adversely affected are mining and manufacturing. While law and order problems, lack of evacuation facilities, environmental issues, infrastructural constraints, delay in land acquisition and Rehabilitation and Resettlement (R and R) issues are considered major constraints of the mining sector, especially coal, factors that have accounted for moderation in the manufacturing growth include moderation in the rate of growth of consumption expenditure, underperformance of the construction sector, hardening of interest rates and global economic uncertainty etc.

Industrial sector, having a sizable share in the GDP (i.e. 20% in 2010-11) fluctuation in its growth will have direct impact on the growth of the economy. While on one to one correspondence can be established between moderation in industrial growth and inflation, to some extent inflation also gets impacted by major factors like increase in the cost of production due to higher interest rate, higher cost of industrial output etc.

(f) Government has already taken confidence building measures. The major focus areas for improving the industrial climate are the creation of world class infrastructure; promotion and facilitation of industrial investment including the foreign direct investment; improvement in business environment; development of industry relevant skills; regular meetings with industry associations and stakeholders to fast track implementation of industrial projects. Government has announced the National Manufacturing Policy with the objectives of enhancing the share of manufacturing in GDP to 25% by 2022 and creating additional 100 million jobs. While the National Investment and Manufacturing Zones (NIMZs) are an important instrumentality, the proposals contained in the Policy apply to manufacturing industry throughout the country including wherever industry is able to organize itself into clusters and adopt a model of self-regulation as enunciated.

Statement

Monthly growth rate of industry based on IIP (Base: 2004-05)

Period	Mining	Manufacturing	Electricity	Overall
Weight	14.2	75.5	10.3	100.0
2008-09				
Apr	5.7	13.0	1.4	11.0

Period	Mining	Manufacturing	Electricity	Overall
May	5.4	8.1	2.0	7.2
June	-0.3	10.3	2.6	8.5
July	2.2	6.2	4.5	5.6
Aug	2.4	6.3	0.8	5.4
Sep	5.7	12.3	4.4	10.9
Oct	3.4	3.9	4.4	3.9
Nov	1.4	1.1	2.6	1.3
Dec	3.2	-2.6	1.6	-1.6
Jan	1.3	-7.0	1.8	-5.3
Feb	0.3	-9.1	0.6	-7.2
Mar	1.0	-7.2	6.3	-5.2
2009-10				
Apr	3.1	-3.6	7.1	-1.9
May	3.2	-2.9	3.3	-1.7
June	13.1	-4.6	8.0	-1.8
July	7.6	0.6	4.2	1.7
Aug	9.0	4.3	10.6	5.3
Sep	5.0	0.6	7.5	1.6
Oct	7.1	1.5	4.0	2.4
Nov	7.9	6.6	1.8	6.3
Dec	7.5	10.2	5.4	9.5
Jan	11.6	14.5	5.5	13.3
Feb	8.2	15.3	7.3	13.7
Mar	11.1	16.3	8.3	14.9
2010-11				
Apr	9.2	14.4	6.5	13.1
May	7.9	8.9	6.1	8.5
June	6.9	7.9	3.5	7.4
July	8.7	10.8	3.7	9.9
Aug	5.9	4.7	1.0	4.5
Sep	4.3	6.9	1.8	6.2
Oct	6.1	12.3	8.8	11.3

Period	Mining	Manufacturing	Electricity	Overall
Nov	6.9	6.5	4.6	6.4
Dec	5.9	8.7	5.9	8.1
Jan	1.7	8.1	10.5	7.5
Feb	1.2	7.5	6.8	6.7
Mar	0.4	11.0	7.2	9.4
2011-12				
Apr	1.6	5.7	6.5	5.3
May	1.8	6.3	10.3	6.2
June	-1.4	11.1	8.0	9.5
July	0.7	3.1	13.1	3.7
Aug	-5.5	3.9	9.5	3.4
Sep	-7.5	3.1	9.0	2.5
Oct	-6.0	-5.7	5.6	-4.7
Nov	-4.1	6.6	14.6	5.9
Dec	-3.7	1.8	9.1	1.8

Source: Central Statistical Office (CSO)

Export of onions

†158. SHRI RAMCHANDRA PRASAD SINGH:

SHRI SHIVANAND TIWARI:

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

- (a) whether it is a fact that Government has enlisted export of onion under partial restriction policy to control its export;
- (b) if so, the facts thereof and the names of institutes selected for export of onion from the country;
- (c) the names of those institutes which are in private sector; and
- (d) the quantum of onion exported by these private institutes during 2010-11 and percentage thereof, *vis-a-vis*, total export?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (d) Export of onion is canalized through 13 State Trading Enterprises (STEs). Export is permitted subject of Minimum Export Price (MEP) notified by Government from time to time.

†Original notice of the question was received in Hindi.