

**Low factory output recorded as per IIP**

2142. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the manner in which Government is considering the eight year low factory output, as per Index of Industrial Production (IIP) during September, 2019;
- (b) whether Government analysed the reasons and outcome of such low industrial production; and
- (c) whether Government has taken any remedial measures to boost industrial production?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI PIYUSH GOYAL): (a) to (c) Global growth is forecast at 3.0% for 2019, its lowest level since 2008-09 as per the World Economic Outlook of the IMF, October 2019. India continues to be one of the fastest growing economies of the world.

The production of industries depends on several factors, such as, domestic demand, demand for exports, level of investment and prevailing prices. The Government has been continuously taking measures to boost investment, production and demand through its initiatives such as Make in India, Startup India, Ease of Doing Business, Business Reform Action Plan, Intellectual Property Rights (IPR) Policy and sectoral schemes/programmes. Foreign Direct Investment (FDI) policy and procedures have been simplified and liberalised progressively. Recently, several short-term and long-term measures have been announced to boost investment, production and demand. Corporate tax rate has been slashed to 22% for domestic companies and 15% for new domestic manufacturing companies; drive initiated for GST refund to MSME within 30 days; ban lifted for purchase of new vehicles in Ministries/ Departments, and tax benefits provided to boost demand of vehicles. The Government has made upfront capital release of ₹ 70,000 crore to Public Sector Banks and has made additional provision for lending and liquidity of ₹ 5 lakh crore to increase credit flow to industries. To bolster consumption/ demand, the banks have cut interest rates, a move that would lead to lower EMI for home, auto and other loans. To strengthen real estate sector, Alternate Investment Fund has been established to provide last mile funding for completion of stalled projects under affordable and middle-income housing category. Reform momentum towards self-certification, labour laws, environment clearance will boost investment and production.