

# Investments in Manufacturing Sector Fell by 10.3% in FY18

**Fall sharper than 2.7% registered in FY17; No. of workers rises 60 lakh in FY18: ASI**

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**New Delhi:**

Manufacturing sector investments declined 10.3% in 2017-18, sharper than the 2.7% fall registered in FY17, provisional data of Annual Survey of Industries (ASI) released on Wednesday showed.

ASI, the principal source of industrial statistics in India, is the most comprehensive data on organised manufacturing.

Gross fixed capital formation (GFCF), as measured by the survey, was ₹3.31 lakh crore in 2017-18 compared with ₹3.69 crore in 2016-17.

“This is no surprise. The investment rate has been falling as is shown in the national accounts,” said Pronab Sen, former chief statistician.

While there was a 1.2% rise in the number of factories in 2017-18, the number of workers rose 4.8% to 12.2 million from 11.6 million in 2016-17. The survey was conducted during November 2018 to June 2019 through ASI Web Portal.

The government has set a target of raising manufacturing share in GDP to 25% by FY22 from around 17% now through the ambitious ‘Make in India’ programme.

According to the national accounts, GFCF for the same period for the entire economy rose to ₹49 lakh crore in FY18 from ₹43.3 lakh crore the year ago in terms of current prices.

“It may be noted that this provisional data is subject to change in the process of finalisation,” the ministry of statistics and programme implementation said in a statement.

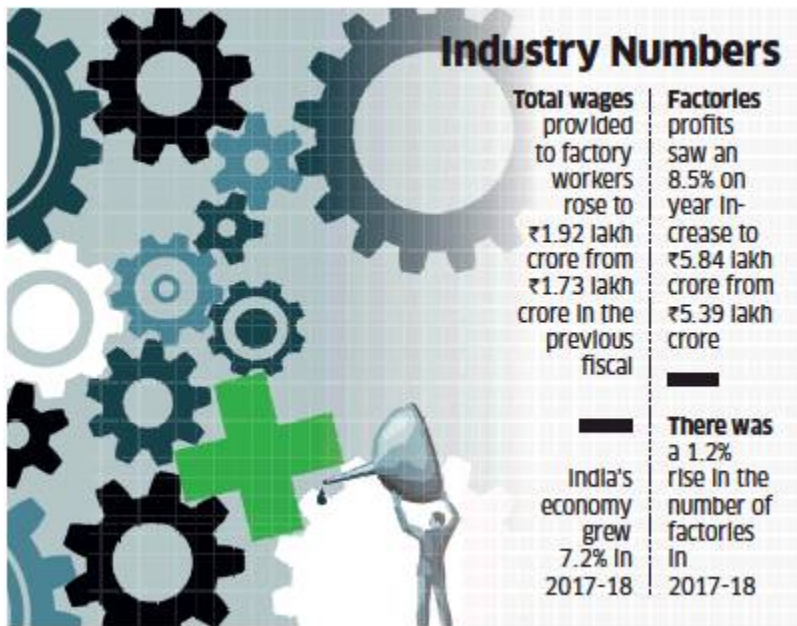
Workers include all persons employed directly or through any agency whether for wages or not and engaged in any manufacturing process or in cleaning any part of the machinery or premises used for manufacturing process or in any other kind of work incidental to or connected with the manufacturing process or the subject of the manufacturing process.

The same data also showed that interest paid in 2017-18 declined 0.9% but rent payout rose 9.3%, a dampener on fresh investments.

Total wages provided to factory workers rose to ₹1.92 lakh crore from ₹1.73 lakh crore in the previous fiscal.

These factories' profits saw an 8.5% on-year increase to ₹5.84 lakh crore from ₹5.39 lakh crore.

India's economy grew 7.2% in 2017-18.



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