

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1375
ANSWERED ON 30.07.2024

NATIONAL CAPITAL GOODS POLICY

1375 **SHRI SHYAMKUMAR DAULAT BARVE:**
SHRI SHRIRANG APPA CHANDU BARNE:
SHRI SANJAY HARIBHAU JADHAV:
SHRI ARVIND GANPAT SAWANT:

Will the Minister of **HEAVY INDUSTRIES** भारी उद्योग मंत्री be pleased to state:

- (a) whether the Government has implemented National Capital Goods Policy and if so, the salient features of the policy;
- (b) the manner in which the policy has boosted the manufacturing sector which was not performing as per expectations during recent years;
- (c) the number of employment generated under the said policy during the last three years;
- (d) the number of jobs likely to be created in the coming five years consequent upon the implementation of the said policy; and
- (e) the details of the plan with the Government for implementation of the said policy?

ANSWER
THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI BHUPATHIRAJU SRINIVASA VARMA)

- (a):** The Government of India announced the National Capital Goods Policy in 2016. The major salient features of the policy are as under:
- (i) To increase budgetary allocation and scope of the present “Scheme on Enhancement of Competitiveness in the Capital Goods Sector” adding components i.e. skills, capacity building, advanced manufacturing and cluster development.
 - (ii) To launch a “Technology Development Fund” under PPP model to fund technology acquisition/ transfer, purchase of IPRs/ designs and drawings/ commercialization.
 - (iii) To set up regional State-of-the-Art Greenfield Centre of Excellence for skill development.
 - (iv) To modernize existing CG manufacturing units, especially SMEs by replacing with the modern, computer controlled and energy efficient machineries across capital goods sub-sectors.
 - (v) To upgrade/ develop, testing and certification infrastructure.
- (b):** The National Capital Goods Policy, 2016, inter alia, recommended increasing the budgetary allocation & scope of the present '**Scheme on Enhancement of Competitiveness of Capital Goods**' which include setting up of Centers of Excellence, Common Engineering Facility Centers, Integrated Industrial Infrastructure Park and Technology Acquisition Fund Programme.

On January 25, 2022, Ministry of Heavy Industries has notified the Scheme on “Enhancement of Competitiveness in the Indian Capital Goods Sector- Phase-II” for providing assistance to Common Technology Development and Services Infrastructure. The scheme has a financial outlay of Rs.1207 crores with budgetary support of Rs.975 crore and Industry Contribution of Rs.232 crore. Under the Scheme, a total of 33 projects with project cost of Rs 1366.94 crores (due to higher contribution by Industry) have been sanctioned so far. Due to catalytic effect of MHI intervention, the production of Capital Goods Sector has increased from Rs 2,29,533 crore in 2014-15 to Rs.4,29,001 crore in 2023-24.

(c) & (d): No such data is collated at the Ministry level.

(e): Ministry of Heavy Industries launched a Scheme for “Enhancement of Competitiveness in the Indian Capital Goods Sector- Phase-II” on 25th January, 2022 as a part of policy implementation.
