

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:6218
ANSWERED ON:05.05.2015
INDUSTRIAL GROWTH
Rajoria Dr. Manoj

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) the growth registered in various industries of the country such as heavy engineering equipment and machine tools, automotives. heavy electrical engi- neering etc., during each of the last three years and the current year, sector-wise;
- (b) whether the Government has achieved the growth target in the fields during the said period;
- (c) if not, the reasons therefor; and
- (d) the remedial measures taken by the Government to encourage these sectors to meet the targets?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES ANP PUBLIC ENTERPRISES (SHRI G.M. SIDDESHWARA)

(a):

(R.s. in crore)

Industry Sector	2012-13	2013-14	2014-15	Growth
	(Est.)#	(%)		

Heavy Engineering	57360	60231	64525	7.13
Equipment & Machine				
Tools				
Heavy Electrical and	134375	131825	129782	(-)1.55
power plant equipment				
Automobile Sector	511710	489165	529522	8.25

Note: Figures are as per estimates of industry associations

(b) :

(Rs. in crore)

2012-13	2013-14	2014-15	
Target	Actual	Target	Actual
		Target	(Est.)#

Heavy Engineering	Not	57360	67055	60231	65610	64525
Equipment &. Machine	fixed					
Tools						
Heavy Electrical and	Not	134375	138240	131825	140000	129782
power plant equipment	fixed					

Note: Figures are as per estimates of industry associations

(c): The targets were not achieved due to general economic slowdown leading to lower investment by user sector.

(d): For Capital Goods, the reduction in Excise Duty from 12% to 10% has been extended till 31.12.2014 to help industrial growth.

For 2015- 16, the reduction in customs duty from 7.5% to 2.5% on specific machine tools components during current budget would help in enhancing growth in production in Machine Tool Sector.

The Government has also launched a Scheme on enhancement of competitiveness in the Indian Capital Goods Sector which envisages infrastructural interventions like setting up of (i) Centers of Excellence for technology development (ii) Common Engineering Facility Centers, (iii) Integrated Industrial Infrastructural Centre and (iv) Test & Certification Center. The scheme also envisages financial intervention through the component Technology Acquisition Fund Programme for acquisition/transfer of technology. The Scheme has been notified on 5.11.2014 and is under implementation. The Notification is also available in the Departmental website dhi.mc.in

For Automobile Sector, Government reduced excise duty on vehicles until December, 2014 to help the industry revive from slowdown, as under;

(i) For Small Cars, 2 wheelers and 3 wheelers and commercial vehicles from 12% to 8%.

(ii) For SUV from 30% to 24%.

(iii) On cars of length more than 4000 mm but engine capacity less than 1500 cc from 27% to 20%.

(iv) On cars of length more than 4000 mm and engine capacity above 1500 cc from 27% to 24%.