

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:3415
ANSWERED ON:12.12.2014
IMPORT OF USED PLANTS AND MACHINERIES
Hansdak Shri Vijay Kumar

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

- (a) whether the Government has constituted any panel regarding the import of used plants and machineries;
- (b) if so, the details and the composition thereof;
- (c) the recommendations made by the panel along with the follow-up action taken by the Government thereon;
- (d) whether several industrial bodies have requested the Government to ban import of second hand machinery;
- (e) if so, the details thereof and the reaction of the Government thereto; and
- (f) the steps being taken by the Government to safeguard the productivity and competitiveness of the Indian manufacturers?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

(a) & (b): A meeting of the Committee of Secretaries (COS) under the chairmanship of Cabinet Secretary was held regarding promotion of domestic capital goods industry and which inter- alia reviewed the import policy of used/ second hand capital goods and machineries and their impact on the domestic capital goods industry. The Committee consisted of Secretaries of the Department of Commerce; Department of Industrial Policy & Promotion, Department of Revenue; Planning Commission; Department of Heavy Industry; Ministry of Food Processing Industries. Besides above, other Ministries represented in the meeting were Environment & Forests; Textiles; Micro, Small & Medium Enterprises; Department of Economic Affairs, Directorate General of Foreign Trade (DGFT) and National Manufacturing Competitive Council (NMCC).

(c): Based on the recommendations of the COS, Government has decided not to allow import of machinery more than five years old unless a different maximum age is specified by Department of Commerce, in consultation with concerned Ministry/Department and National Manufacturing Competitiveness Council (NMCC), keeping in view its specific sectoral requirements.

(d) & (e): As per information available, the Printing Packaging and Allied Machinery Manufacturers Association has sought restriction on import of second hand/ used printing and allied machineries; but this has not been acceded so far.

(f): The Government has taken the following steps to safeguard the productivity and competitiveness of Indian Manufacturers:

- i) Simplification and rationalization of the processes and the procedures relating to boosting investor sentiment;
- ii) Simplification of the Foreign Direct Investment policy;
- iii) Launching of the e-biz Mission Mode Project under the National e-Governance Plan;
- iv) Implementation of the Delhi Mumbai Industrial Corridor (DMIC) project;
- v) Conceptualization of Amritsar Kolkata Industrial Corridor, Chennai-Bengaluru Industrial Corridor, Bengaluru Mumbai Economic Corridor and the Vizag-Chennai Industrial Corridor (as the first phase of an East Coast Economic Corridor) and setting up of a National Industrial Corridor Development Authority for coordinating and overseeing progress of the various industrial corridors;
- vi) The Union Budget 2014-15 has also announced several administrative and fiscal measures to revive the industrial growth in the country;
- vii) More recently, the Government has launched a "Make in India" programme with 25 thrust sectors;
- viii) The provision for import of second hand capital goods under EPCG Schemes has been discontinued w.e.f. 18.04.2013.