

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
STARRED QUESTION NO. 24
ANSWERED ON 03.02.2023

PLANS TO ENCOURAGE LOCAL DESIGNING SECTOR

*24 **SHRI JAGGESH:**

Will the Minister of Heavy Industries be pleased to state:

- (a) whether it is a fact that more domestic Original Equipment Makers (OEMs) are looking at local designing capabilities in the country;
- (b) whether Government plans to encourage the local designing sector on the lines of Production Linked Incentive (PLI) to help OEMs; and
- (c) if so, the details of Government plans to encourage local OEMs?

ANSWER
THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SH. KRISHAN PAL GURJAR)

(a) to (c): A Statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF RAJYA SABHA
STARRED QUESTION NO. 24 FOR 03.02.2023 ASKED BY SHRI JAGGESH REGARDING
“PLANS TO ENCOURAGE LOCAL DESIGNING SECTOR”.**

(a) to (c): To boost Automotive sector in India, Ministry of Heavy Industries has launched two Production Linked Incentive (PLI) schemes viz. PLI scheme for Automobile & Auto Components and PLI for Advanced Chemistry Cells. The objectives of these schemes are to enhance manufacturing capabilities of high technology products with prescribed Domestic Value Addition (DVA). Incentives are applicable on eligible sales under these two PLI schemes. To avail the scheme benefits, Original Equipment Manufacturers (OEMs) have to set up complete chain of activities including Research, Design, Production and Sales etc. to produce and sell the eligible products. The investments made by the OEMs on Engineering Research & Development, product design and development are eligible to be counted as investments under the two schemes.

In view of above facts, there is no proposal at present to launch separate PLI scheme to encourage local designing sector.
