

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF HEAVY INDUSTRY

LOK SABHA
UNSTARRED QUESTION NO. 2088
TO BE ANSWERED ON 29.11.2016

Assessment of Industrial Sector

2088. DR. MANOJ RAJORIA:

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

- (a) whether the Government has made any assessment on the development and growth of heavy engineering equipment, machine tools, automotive and electrical equipment sectors in the country during the last three years and the current year;
- (b) if so, the details and outcome thereof;
- (c) whether any target for development of the said industries has been fixed and if so, the achievements during the said period; and
- (d) the steps taken by the Government to encourage the development and growth of the said sector in the country?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND
PUBLIC ENTERPRISES (SHRI BABUL SUPRIYO)**

(a) & (b): The growth registered in Machine Tool, Earthmoving & Mining Machinery, Heavy Electrical Equipment during the last three years is as under:-

(Rs. in crore)

Segment	2013-14	2014-15	2015-16 (Estimated)
Machine Tool Annual Percent Growth	3,481 -10.40%	4,230 21.52%	4,727 11.75%
Earthmoving & Mining Machinery Annual Percent Growth	16,000 -3.61%	17,000 6.25%	19,375 13.97%
Heavy Electrical Equipment Annual Percent Growth	128,823 -4.13%	136,953 6.31%	144,861 5.77%

(Source : Industry Associations)

The Growth in production for Automobile Industry as reported by Society of Indian Automobile Manufacturers (SIAM), is as under:

(Number in Thousands units)

2013-14	2014-15	2015-16	2016- 17 Apr. to Oct.
21,500	23,358	23,960	15,791

(c): No such targets were fixed for Capital Goods Industry which includes its sub-sectors like Machine Tool, Earthmoving & Mining Machinery, Heavy Electrical Equipment.

No such targets were fixed for Automobile Industries as well. However, the Government in consultation with Automobile Industry envisions a growth part for the Automobile sector in the form of Automobile Mission Plan. First such plan was launched in 2006 for the period of 10 years. The performance of this plan is given below.

- India has attracted significant quantum of local and global automobile manufacturers (OEMs) as well as component manufacturers, exceeding the target of Rs. 1,57,500 Crores.
- While cumulative domestic sales volume of commercial vehicles, passenger vehicles and tractors have been achieved, 2 and 3 Wheelers have fallen short of their targets.

(d): The Government has launched a Scheme in November, 2014 for enhancement of competitiveness in the Indian Capital Goods Sector having infrastructural components like setting up of (1) Centre of Excellence for technology development, (2) Integrated Industrial Infrastructural facility i.e. industrial park (3) Common Engineering Facility Centre and (4) Test & Certification Centre. The Scheme also has provision for financial intervention by way of Technology Acquisition Fund Programme for acquisition/ transfer of technology. Details of the Scheme are available in the Department of Heavy Industry website (dhi.nic.in).

Further, the Government has recently launched a National Policy of Capital Goods early this year under 'Make in India' initiative with a view to realize the potential of domestic capital goods industry. Details of the policy may be seen at the Department of Heavy Industry website at dhi.nic.in

As far as Automobile Sector is concerned, Government has taken series of steps for the promotion of the industry, like launching of FAME India Scheme for promotions of Electric and Hybrid Vehicles and establishment of state of the art vehicle testing centres under NATRIP Project.
