

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1972
ANSWERED ON 11.03.2025

TRACTOR AND FARM EQUIPMENT MANUFACTURING INDUSTRY IN PUNJAB

1972. SHRI GURMEET SINGH MEET HAYER:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

- (a) the steps taken by the Government to support and expand the tractor and farm equipment manufacturing industry in Punjab;
- (b) whether there are any special incentives or benefits provided to manufacturers exporting tractors and agricultural equipment, particularly to Africa and other markets, if so, the details thereof;
- (c) if no special benefits are offered details of the measures being considered to encourage exports and enhance global competitiveness;
- (d) what initiatives are being taken to improve infrastructure and logistics in Punjab to facilitate tractor & Implements exports; and
- (e) whether there is any strategy to promote R&D in the tractor & Farm equipment manufacturing sector in Punjab, focusing on products suited for diverse agricultural practices abroad?

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

(a) to (e): Since Industry is a state subject, the Ministry of Heavy Industries (MHI) does not maintain data relating to setting up of Industries in any part of country including Punjab. However, the Ministry of Heavy Industries has notified Production Linked Incentive Scheme for Automobile and Auto Component Industry in India (PLI-Auto) on 23rd September, 2021 for enhancing India's Manufacturing Capabilities for Advanced Automotive Products with a budgetary outlay of ₹25,938 Crore for a period of five years. This scheme proposes financial incentives to boost domestic manufacturing of Advanced Automotive Technology products and attract investments in the automotive manufacturing value chain. Support for tractors is available under the scheme. The expenditure incurred on Engineering R&D and product design & development is allowed to be considered as part of Eligible Investment under PLI-Auto
