

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

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UNSTARRED QUESTION NO. 1160
TO BE ANSWERED ON 26.07.2017

Steps to enhance competitiveness of capital goods sector

1160. SHRI NARAYAN LAL PANCHARIYA

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

- (a) what steps are being taken by the Central Government to enhance the competitiveness of Indian goods in the capital goods sector;
- (b) whether any step is being taken in this direction for the benefit of Micro, Small and Medium Enterprises (MSMEs) feeding raw material to heavy industries;
- (c) if so, details thereof and if not, reasons therefor;
- (d) whether there are any collaborations with leading technical institutes, such as IITs, for research and development in this field; and
- (e) if so, details thereof and if not, reasons therefor?

ANSWER

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

(a) to (c): A Scheme for enhancement of competitiveness in the Indian Capital Goods Sector is in operation since 2014. The Scheme has infrastructural components for setting up Centre of Excellence (CoE) for technology development, Integrated Industrial Infrastructural Facility, Common Engineering Centre and Test and Certification Centre. The Scheme also provides for financial intervention through Technology Acquisition Fund Programme for acquisition or transfer of technology in Capital Goods Sector. Under different components of the said Scheme, so far, 14 proposals have been approved, which are under different stages of implementation with active participation of the Industry. Details of the Scheme is available at the website of the Department of Heavy Industry at dhi.nic.in.

Other than the above Scheme, Government has unveiled a National Capital Goods Policy in 2016. The Policy aims to make India one of the top Capital Goods producing countries and a net exporter of Capital Goods by increasing production, raising export level and improving technology depth. A copy of the Policy may be seen in the website of the Department of Heavy Industry at dhi.nic.in. This Policy envisages supporting all units including MSMEs with technology, skills, common engineering facilities and export promotion.

Under the Capital Goods Scheme, an Integrated Machine Tool Park of global standard is coming up at Vasanthanarasapura near Tumkur in Karnataka in collaboration with the Government of Karnataka. The park envisages to have facilities for manufacturing chain in Machine Tools which will benefit MSMEs supplying raw materials and components to machine tools manufacturers. The Government is supporting Common Engineering Facilities for textile engineering industry at Bardoli, Surat, Gujarat and TAGMA Centre of Excellence and Training for Dies & Moulds Industry at Chakan near Pune, Maharashtra. The major beneficiaries are MSMEs engaged in manufacturing engineering around the Surat and Pune industrial clusters respectively. In addition, technology development at various Centers of Excellence (COEs) / technology acquisition facilitated by DHI will facilitate technology development/acquisition, in general. Most of the participating industries/beneficiaries are MSMEs .

(d) & (e): Under CoE component of the Scheme technology development is being carried out in several technological institutions/ Research Development Centre of national repute with Industry partners. CoE funded by department, under the scheme, include:

- (1) Development of Hi- tech shuttle less looms in Central Manufacturing Technological Institute, Bangalore;
- (2) Development of 11 Machine Tool Technologies in Indian Institute of Technology, Madras in Chennai;
- (3) Development of 3 welding technologies in PSG College of Technology, Coimbatore and
- (4) Development of Smart Submersible Pump in Si'Tarc, Coimbatore.
