

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

LOK SABHA
UNSTARRED QUESTION No. 246
TO BE ANSWERED ON 05.02.2019

Growth of Heavy Industries

246. SHRI ALOK SANJAR:

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

- (a) the details of the growth of various industries *i.e.* Heavy Engineering Equipments and Machine Tools, Automotive, Heavy Electrical Engineering etc. in the country including the Bharat Heavy Electricals Limited during each of the last three years and the current year, sector-wise;
- (b) whether the Government has reached the development goals during the said period in these sectors;
- (c) if so, the details thereof and if not, the reasons therefor; and
- (d) the remedial steps taken by the Government in these sectors to encourage them in achieving their respective goals?

ANSWER

THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES
(SHRI BABUL SUPRIYO)

(a) : The details of the growth of various industries *i.e.* Heavy Engineering Equipments and Machine Tools, Automotive, Heavy Electrical Engineering etc. in the country including the Bharat Heavy Electricals Limited during each of the last three years is as follows :

Sector	Sub sector	2015-16	2016-17	2017-18
Heavy Engineering Equipments and Machine Tools Sector	1. Machine Tools	11.72%	22.78%	25.69%
	2. Dies, Moulds and Press Tools	2.41%	(-) 1.67%	8.93%
	3. Textile Machinery	(-) 5.45%	1.06%	3.75%
	4. Printing Machinery	7.41%	(-) 2.90%	(-) 8.57%
	5. Earthmoving and Mining Machinery	7.44%	43.45%	14.86%
	6. Plastic Machinery	8.0%	11.11%	12.50%
	7. Food Processing Machinery	20.10%	15.44%	2.32%
Automotive Sector	Passenger Vehicles	7.23%	9.26%	7.91%
	Commercial Vehicles	11.51%	4.14%	19.97%
	Three Wheelers	1.05%	-4.89%	24.19%
	Two Wheelers	3.01%	6.89%	14.83%
Heavy Electrical Engineering Sector		2015-16	2016-17	2017-18
	Production (in Rs. Crores)	5.77%	9.91%	10.23%

In addition to above, the detail of Bharat Heavy Electricals Limited (BHEL) is as under :

	FY 2015-16	FY 2016-17	FY 2017-18	2017-18 (upto Q2)	2018-19 (upto Q2)
Turnover (Rs. Crore) #	25,091	27,740	27,850	11,523	12,397
Growth in Turnover YoY (%)	(-) 15%	10.6%	0.4%	N.A.	7.6%

(b) to (d) : The Government of India through the Department of Heavy Industry has launched a scheme for “Enhancement of Competitiveness in the Indian Capital Goods Sector” in November 2014. The objective of the Scheme is to address the constraints faced by the sector, such as lack of cutting-edge technology and R&D support, lack of involvement of reputed academia and research institutes in the area of applied research, absence of common engineering facilities, sector specific industrial cluster park and lack of test and certification centre due to which Indian capital goods sector became non-competitive at international level. Under the Scheme, financial assistance is provided for setting up of Centres of Excellence (CoE) for research and development at reputed universities / R&D Institutes by collaborating with industry, research institutes, and the Government. The scheme also provides financial assistance for technology transfer under Technology Acquisition Fund Program (TAFP) to capital goods manufacturing units. Besides, the scheme provides financial assistance for creating common Industrial Integrated Infrastructure Facility (IIIF) such as Machine Tool Industrial parks and Common Engineering Facility Centres (CEFC) and Test and Certification Centres (T& CC) for Earthmoving, Construction and Mining Machinery.

The Government of India announced the National Capital Goods Policy in May 2016. The policy aims to facilitate improvement in technology depth across sub-sectors of Capital Goods, increase skill availability, ensure mandatory standards and promote growth and capacity building of MSMEs. The policy will help in realizing the vision of ‘Building India as the World class hub for Capital Goods.

Department of Heavy Industry, after consultation with various stakeholders and with support from IEEMA, launched an Indian Electrical Equipment Industry Mission Plan 2012-2022, with a view to boost and support the domestic electrical equipment industry’s future development and enhance its global competitiveness. The Vision 2022 articulated in the Mission Plan is ‘to make India the country of choice for production of electrical equipment and reach an output of USD 100 billion by balancing exports and imports’. The Mission Plan identifies five key areas for action:

(i) industry competitiveness; (ii) technology up gradation; (iii) skills development; (iv) exports, and (v) conversion of latent demand.

Against each area of concern, detailed recommendations had been given for strategic and policy interventions by different stakeholders, including the Government and the industry. Many of the recommendations of the Mission Plan were addressed by the Government.
