National Capital Goods Policy

The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi has given its approval for Natic Capital Goods Policy. This is first ever policy for Capital Goods sector with a clear objective of increas production of capital goods from Rs.2,30,000 crore in 2014-15 to Rs.7,50,000 crore in 2025 and raising di and indirect employment from the current 8.4 million to 30 million.

The policy envisages increasing exports from the current 27 percent to 40 percent of production. It will incre the share of domestic production in India's demand from 60 percent to 80 percent thus making India a exporter of capital goods. The policy also aims to facilitate improvement in technology depth across sub-sect increase skill availability, ensure mandatory standards and promote growth and capacity building of MSMEs.

The Policy will help in realising the vision of 'Building India as the World class hub for Capital Goods'. It also play a pivotal role in overall manufacturing as the pillar of strength to the vision of 'Make in India'.

The objectives of the policy will be met by the Department of Heavy Industry in a time bound manner thro obtaining approval for schemes as per the roadmap of policy interventions.

Background:

The idea of a 'National Capital Goods Policy' was first presented by the Deptt. of Heavy Industry to the Pr Minister in the 'Make in India' workshop held in December, 2014. The policy has been finalized after extens stakeholder consultations with industry, academia, different ministries etc. The key recommendations elements of the policy have been formulated to support and boost development of this crucial sector. The ain the policy is create game changing strategies for the capital goods sector. Some of the key issues addres include availability of finance, raw material, innovation and technology, productivity, quality and environm friendly manufacturing practices, promoting exports and creating domestic demand.

***

AKT/VBA/SH