

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

LOK SABHA
UNSTARRED QUESTION NO. 5938
TO BE ANSWERED ON 03.04.2018

National Policy on Capital Goods

5938. SHRI R. GOPALAKRISHNAN:

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

- (a) whether the Government has launched the National Policy on Capital Goods; and
(b) if so, the details of the policy and the achievements made thereunder, Statewise including Tamil Nadu?

ANSWER

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

(a) to (b): Yes, Madam.

The Government has launched the National Capital Goods Policy in 2016. The policy has been formulated with a view to increase the share of Capital goods contribution from 12% to 20% of total manufacturing activity by the year 2025. The policy aims to make India one of the top capital goods producing nations of the world by raising the total production and exports level significantly. The policy also envisages improving technology depth of the Indian Capital Goods to reach advanced level.

Major recommendations of the National Capital Goods Policy are:

- (1). **Make in India initiative:** To integrate major capital goods sub-sectors like machine tools, textile machinery, heavy electrical equipment, plastic machinery, process plant equipment, metallurgical machinery and dies, moulds & press tools, printing and packaging machinery and food processing machinery as priority sector to be envisaged under 'Make in India' initiative.
- (2). **To create an enabling scheme a pilot for 'Heavy Industry Export & Market development Assistance Scheme (HIEMDA)'** with a view to enhance the export of Indian made capital goods. This will also require developing a comprehensive branding plan for the CG sector with the support of India Brand Equity Foundation (IBEF) and other such organization
- (3). **To strengthen existing capital goods scheme:** The policy recommends increasing the budgetary allocation & scope of the present 'Scheme on Enhancement of Competitiveness of Capital Goods' by adding a set of components including technology, skills & capacity building, user promotional activities, green engineering and energy advanced manufacturing and cluster development

- (4). **To Launch a Technology Development Fund under the PPP model** to fund technology acquisition, transfer of technology, purchase of IPRs, designs & drawings as well as for commercialization of such technologies of capital goods
- (5). **To create a ‘Start-up Centre for Capital Goods Sector’** shared by DHI and CG industry/industry association in 80:20 ratio to provide an array of technical, business and financial support resources and services to promising start-ups in both the manufacturing and services space. These services should focus on Pre-incubation, Incubation and Post-Incubation phases of a start-up’s growth to ensure that a robust foundation is established.
- (6). **To ensure Mandatory Standardization** which included, inter alia, defining minimum acceptable standards for the industry and adoption of International Organization for Standardization (ISO) standards in the absence of other standards, to institute formal development program for promoting and framing Standards with Standards Developing Organizations (SDOs) including Bureau of Indian Standards (BIS), international standard bodies, test/ research institutions and a concerned industry/ industry association.
- (7). **To upgrade development, testing and certification infrastructure** such as Central Power Research Institute (CPRI), and set up 10 more CMTI like institutes to meet the requirements of all sub-sectors of capital goods.
- (8). **To enhance Skill Development:** to develop a comprehensive skill development plan/scheme with Capital Goods skill council and to upgrade existing training centres and set up 5 regional State-of-the-Art Greenfield Centres of Excellence for skill development of CG sector.
- (9). **To provide schemes for enhancing competitiveness through a cluster approach,** especially for CG manufacturing SMEs with thrust on critical components of competitiveness such as Quality management, Plant maintenance management, Energy management, Cost management, Human Resource management and prevention of corrosion.
- (10). **To Modernize the existing CG manufacturing units,** especially SMEs by replacing the modern, computer controlled and energy efficient machineries across capital goods sub-sector, based on capital subsidy to promote the manufacturing of quality product

Details of Policy are available on the web site of the Department of Heavy Industry at dhi.nic.in

Following is the list of projects approved State-wise under the National Capital Goods Policy including Tamil Nadu:

Delhi:

1. Centre of Excellence (CoE) at IIT Delhi for Textile Machinery.
2. Common Engineering Facility Centre (CEFC) of M/s. Automation Association of India and IIT Delhi for CEFC on industry 4.0.
3. Technology Acquisition Fund Programme (TAFP) by Allied Engineering Pvt. Ltd, Delhi on Manufacturing of Heavy Duty High Reliability Electrical Specialised Power Cables.

4. TAFP by Industrial Processors & Metallizers Pvt. Ltd, Delhi on Cutting Edge Robotic Laser Cladding Technology for Hydro Turbines indigenously using Tungsten Carbide Powder.

Gujarat:

5. Common Engineering Facility Centre (CEFC) at Bardoli, Surat by Science Engineering Technological Upliftment (SETU) Foundation.

Haryana:

6. Common Engineering Facility Centre (CEFC) for skill development of design engineers by M/s Korus Engineering Solutions Private Limited, Bahadurgarh

Jharkhand:

7. CoE at HEC, Ranchi for manufacturing Hydraulic Excavator by HEC with institutional support of ISM Dhanbad

8. CEFC at HEC, Ranchi by CEFC Pratham Foundation

Karnataka:

9. Centre of Excellence (CoE) at CMTI, Bangalore by TMMA for development of shuttle less rapiers looms of 450 RPM

10. CoE Proposal from IISc-Bangalore with Wipro 3D for design and development of 3 D Printing technologies

11. Common Engineering Facility Centre (CEFC) at HMT MTL, Bangalore for Skill Development

12. CEFC of Indian Institute of Science, Bangalore for CEFC industry 4.0

13. CEFC of CMTI Bangalore for industry 4.0

14. CEFC for modernization of Precision Metrology Laboratory by CMTI Bangalore.

15. Cost escalation of Rs 18.46 for the Nano Manufacturing Technology Centre (NMTC) project of CMTI, Bangalore and Rs 7.75 crores for the Sensor Technology Development Facility (STDF) project of CMTI, Bangalore in addition to the pending fund requirement of Rs 6.6 crores for NMTC project and Rs 45.05 crores for the STDF project.

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16. Integrated Industrial Infrastructural Facility (IIIF) at Integrated Machine Tools Park near Tumkur, Karnataka by Govt. of Karnataka

17. Technology Acquisition Fund Programme (TAFP) by HMT MTL on Development of Four Guideway CNC Lathe, Bangalore.

18. TAFP by HMT MTL on Develop Turn Mill Centre, Bangalore with Y axis SB CNC 30TMY and integrate high precision C axis on the Main Spindle

Maharashtra:

19. Common Engineering Facility Centre (CEFC) at Chakan near Pune for Tools & Dies industry by TAGMA.

20. CEFC on Industry 4.0 by M/s. SLK CSR foundation, groups and others, Pune.

Tamil Nadu:

21. Centre of Excellence (CoE) at IIT, Madras for development of 11 advanced technologies for Machine Tools & Production Technology.

22. CoE at PSG College of Technology, Coimbatore for development of three Welding Technologies.

23. COE at Coimbatore by Sitarc on Smart Submersible (6 inch) Pumping Solutions for Industrial and Water Supply Applications

Uttar Pradesh:

24. TAFP by PTC Industries Ltd, Lucknow on Development & Commercialization of Titanium Casting with Ceramic Shelling Technology.

West Bengal:

25. Centre of Excellence (CoE) at IIT Kharagpur for Advanced Manufacturing.
