

**HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF HEAVY INDUSTRY**

**RAJYA SABHA
UNSTARRED QUESTION No. 1139
TO BE ANSWERED ON 20.12.2018**

Strengthening PSUs for capital goods

**1139. SHRI VIJAY PAL SINGH TOMAR:
SHRI P. BHATTACHARYA:**

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

- (a) whether Government has framed any scheme to strengthen the Public Sector Undertakings (PSUs) and to reduce the import of capital goods;
- (b) if so, the details thereof;
- (c) whether Government has set any target for technical assistance for capital goods industry and to provide modern industrial park during the current Five Year Plan;
- (d) if so, the details thereof; and
- (e) whether any feasibility study has been conducted in this regard and if so, the details thereof?

ANSWER

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

(a) to (e): The Department of Public Enterprises has introduced the Maharatna and Navratna schemes in order to facilitate Central Public Sector Enterprises (CPSEs) to expand their operations both in domestic and foreign markets and emerge as global giants. The Boards of Maharatna and Navratna CPSEs have been delegated enhanced financial and operational powers in the areas of capital expenditure, investment in joint ventures/subsidiaries, human resources management, entering strategic alliances/ technology joint ventures, raising debt and obtaining technology and know-how, etc.

Further, the Department of Heavy Industry has launched a scheme for the 'Enhancement of Competitiveness in the Indian Capital Goods Sector' in November, 2014. The Scheme aims to increase competitiveness of the Indian Capital Goods Sector through development and acquisition of the latest technologies. The Scheme addresses the creation of technological depth in the Capital Goods Sector by setting up of Centres of Excellence (CoE) for technology development, Common Engineering Facility Centers (CEFC) and sector specific Integrated Industrial Infrastructure Facility (IIIF). The Scheme also has a financial component namely, the Technology Acquisition Fund Programme (TAFP) for acquisition/ transfer of technology. It envisages Public Private Partnerships for implementation of most of its components with a budgetary support of Rs.581.22 crore. The Scheme is encouraging the development of indigenous technology and manufacturing, cost competitiveness, reduction in imports, augmenting exports and employment generation in collaboration with the user Industry and academia.

So far eight proposals for CoE, ten proposals for CEFC, five proposals for TAFP and one proposal for IIIF Component have been approved under the scheme for 'Enhancement of Competitiveness in the Indian Capital Goods Sector'. Under the IIIF component, an integrated Machine Tools Park called the Tumakuru Machine Tool Park is being established near Tumakuru, Karnataka in association with the Govt. of Karnataka.

All project proposals are examined at two levels as envisaged in the Scheme prior to being sanctioned.
