

Capital Goods: Framework for Global Competitiveness & Promotion of Innovation

Knowledge Creation & Commercialization

- Centralized fund for domestic firms which could be utilized for acquisition of international companies/assets operating in various raw-material categories like CRGO/CRNO steel
- Focused scheme for encouraging domestic manufacturing of critical raw-materials: Providing tax holidays, excise duty of rawmaterials, fiscal incentives for domestic supply etc.
- Attract private investments in the testing and certification activity and create of additional testing/ certification agencies under the PPP route
- Identify and invite international players to bring product innovation in India. Further, provide incentives for large foreign MNCs (Mainly from EU) to bring product technology into India.

Inclusive Innovation

- Infrastructure updation in existing ITIs & Polytechnics to cater to skill development for unskilled labor.
- Set up government aided testing & certification labs in some of the key clusters like Delhi/NCR, Rajkot, Coimbatore, Pune, Bangalore etc. to mentor the other small & medium private testing labs throughout the country.

Knowledge Diffusion & Absorption

- Set up a National Implementing Organization which shall be entrusted with the responsibility of planning, implementing and monitoring the program for improving testing & certification infrastructure for the capital goods industry.
- Set up a high level empowered body for R & D promotion comprising
 of key stake holders from institutes, private & public sector which
 would be responsible for execution and monitoring of efforts for
 technology development.
- Set up secondary training centers on a PPP model in the existing as well as developing capital goods clusters to cover skill up-gradation training for the existing workforce in both organized and unorganized segments.
- Provide database & technology support to domestic firms for : global quality standards, details of testing infrastructure etc.

Support Mechanisms

Introduce courses for inc

 Introduce courses for inducing more number of semi-skilled workers in the industry. For this, specialized courses in the areas of welding, fitting etc. should be arranged.

Skills

 Set up non-engineering courses for metallurgy.

Policy

- FTAs or Comprehensive Economic Cooperation Agreements to provide better access to Indian players in export markets
- Local procurement policy for all the government contracts.
- Rationalize inverted tariff structure
- Duty Exemption on CRGO/ CRNGO Steel
- Cover capital goods sector under Technology Up-gradation fund
- Regulatory mechanism to stipulate some minimum value addition for large value imports along with transfer of technology to an Indian company

R&D

- Research in the area of improving energy efficiency & recycling
- Research in area of product certification for capital goods industry
- Set up a technology fund for developing product technologies
- Promote pre-competitive research by providing incentives to industry players for R&D spending.

Infrastructure

- Testing & certification infrastructure
- · Secondary training centers
- Infrastructure support for manufacturing set up for critical raw-materials
- Incubator to conduct prototype and material development
- Product development centres

Collaboration

- Collaboration for testing labs
- Collaboration for domestic rawmaterial manufacturing
- Collaboration for R&D
- Collaboration for developing domestic machinery manufacturing