



# Brand India Engineering: An Overview

The engineering industry accounts for 25% of India's total factories in the organised sector and contributes just over 32% of total output in the country.

**T**he Brand India Engineering campaign, launched by the Ministry of Commerce & Industry, Government of India, aims to create true brand value in international markets for Indian engineering products and services. It is expected to catapult India's status in engineering capabilities, by highlighting India's competitiveness, credibility and service commitments in the engineering sector.

India Brand Equity Foundation (IBEF), a Trust established by the Department of Commerce and EEPC India, an apex national body representing engineering industry, is steering the campaign in coordination with national associations and industry stakeholders in the Pumps and Valves sector.

The engineering sector, being

closely associated with the manufacturing and infrastructure sectors of the economy, is of strategic importance to India's economy. The growth of the sector drives the growth of core sectors like infrastructure, power, steel, automotives, oil and gas etc.

India's engineering exports, accounting for about a quarter of the country's total exports, stood at US\$58.78 billion in 2015-16. This implies a CAGR of 15.6%. Among developing countries, India offers the best combination of low costs, availability, skills and capabilities of manpower for the engineering sector. In terms of availability and skills, India produces over 1,000 PhDs, a million engineers, more than 300,000 non-engineering postgraduates and 2,100,000 other graduates each year, thereby ensuring a steady supply of qualified manpower for the sector. India also has a significant labour cost

advantage over other countries. Several companies in the engineering sector have leveraged India's advantages in labour effectively.

India also has the raw material resources to meet the demands of the engineering industry. Key raw materials required by the engineering sector, ferrous and non-ferrous metals such as mild steel and aluminium, are available in India. Ready availability of these materials gives India a major cost advantage, as materials account for nearly 50% of the industry's operating costs.

The presence of supporting industries provides a conducive environment for the engineering sector to grow and prosper. India's engineering industry has significant support from India's well-established IT sector, as well as that of higher education institutions. India has a well-developed technical

and tertiary education infrastructure of over 250 universities, 1,500 research institutions and over 10,000 higher education centres, which support the engineering sector not only by supplying a steady stream of qualified manpower, but also in areas of research and development.

India has a well-developed vendor base for supporting the engineering industries. Industries such as machine tools, textile machinery, auto components, etc., provide ample support to the engineering sector. Some of these sectors have developed global capabilities and help the engineering sector to achieve global competitiveness.

The Foreign Trade Policy 2015-20, along with the Brand India Engineering campaign, provides promotional measures to boost India's exports in the engineering sector. ■