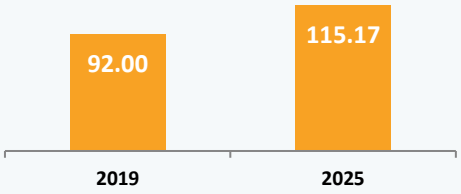
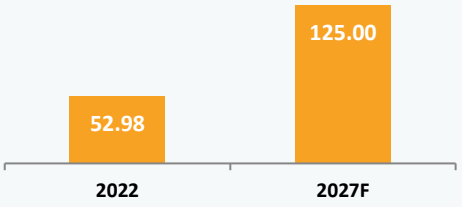
ENGINEERING AND CAPITAL GOODS

MARKET SIZE

Capital Goods Turnover (US$ billion)



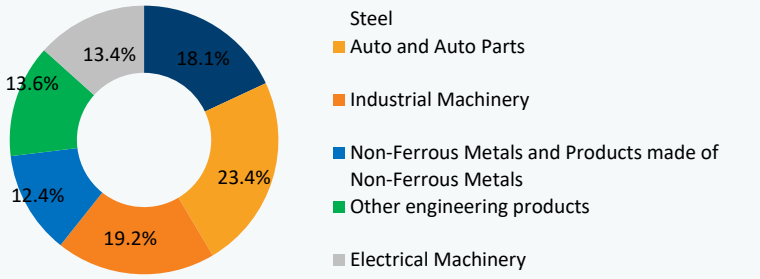
Electrical Equipment market (US$ billion)



Note: *F – Forecast*

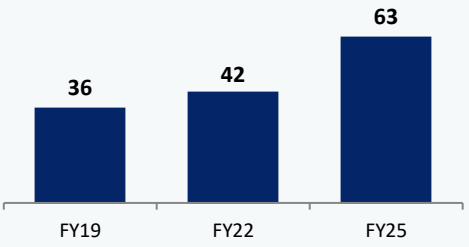
SECTOR COMPOSITION

Engineering export performance (FY26)

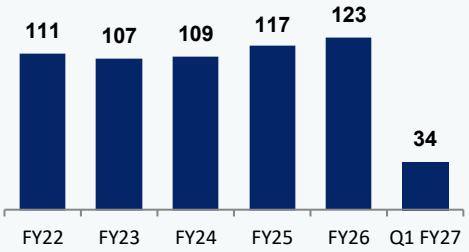


KEY TRENDS

Engineering R&D* (US$ billion)



India's Engineering Exports (US$ billion)



*Note: * - including product engineering services*

GOVERNMENT INITIATIVES



Make in India

100% FDI

Inter-ministerial committee

ADVANTAGE INDIA

- **Robust demand:** India's electrical equipment consumption reached approximately Rs. 5.69 lakh crore (US$59 billion) in 2025, growing at an 11% CAGR from 2020, while import dependence increased to 33%, highlighting significant opportunities for domestic manufacturing and localization.
- **Higher Investments**: Infrastructure Finance Secretariat is being established to assist all stakeholders for more private investment in infrastructure, including railways, roads, urban infrastructure, and power.
- **Policy support**: The Union Budget 2026–27 introduced a Scheme for Enhancement of Construction and Infrastructure Equipment (CIE) to strengthen domestic manufacturing of high-value, technologically advanced equipment, alongside Hi-Tech Tool Rooms at two CPSE locations and a Rs. 10,000 crore (US$1.04 billion) Container Manufacturing Scheme.
- **Attractive opportunities**: In the Union Budget FY27, the Government increased public capital expenditure to Rs. 12.22 lakh crore (US$126.67 billion), up 11.5% from the FY26.

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