

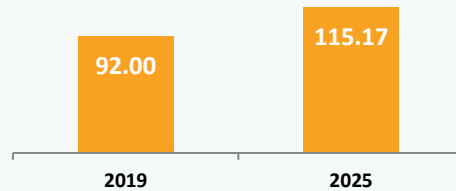


ENGINEERING AND CAPITAL GOODS

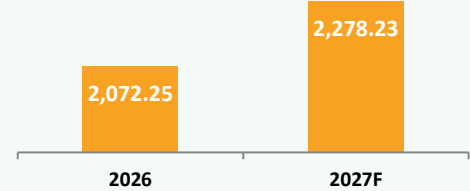


MARKET SIZE

Capital Goods Turnover (US\$ billion)



Electrical Equipment market (US\$ billion)

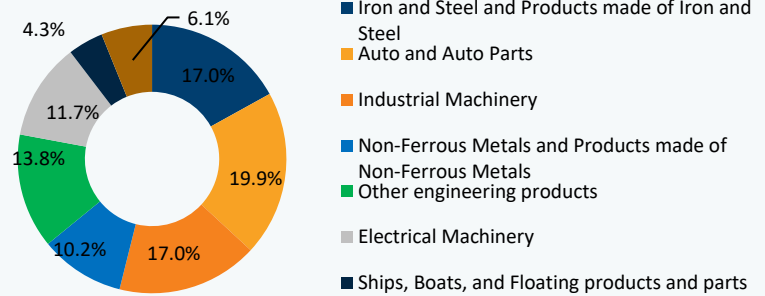


Note: F – Forecast



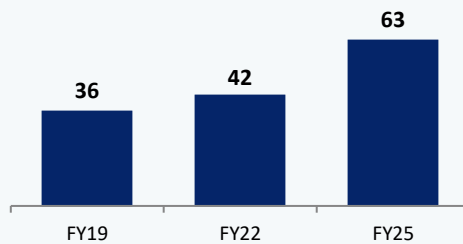
SECTOR COMPOSITION

Engineering export performance (FY25)

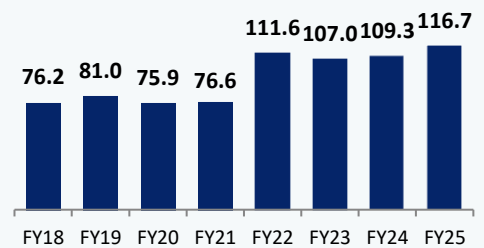


KEY TRENDS

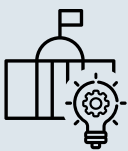
Engineering R&D* (US\$ billion)



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:** The Indian heavy electrical equipment stood at Rs. 3,72,200 crore (US\$ 44.01 billion) in FY25 is set to experience significant growth in the coming years, with a forecasted incremental growth of Rs. 6,44,533 crore (US\$ 76.24 billion) at a compound annual growth rate (CAGR) of 14.3% from FY24 to FY28. Market size for the Indian Construction Equipment Market stood at US\$ 7.2 billion in FY23 and is forecasted to grow at a CAGR of 15% for next 5 years, as per the estimates of CII.
- 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 National Capital Goods Policy (2016) aims to boost India's capital goods sector by raising its manufacturing share from 12% in 2016 to 20% by 2025, doubling production, increasing exports to 40% of output, and advancing technology capabilities to global standards.
- Attractive opportunities:** The allocation for the Ministry of Road Transport and Highways in the Union Budget 2026–27 is estimated at Rs. 3,09,875 crore (US\$ 34.4 billion), marking an 8% increase over the revised estimate in 2025–26.