**Market Size**

**Exports Performance of Principle Commodities (FY20)**
- Iron and Steel and Products made of Iron and Steel: 21.3%
- Automobiles: 11.3%
- Industrial Machinery: 11.8%
- Ships, Boats, and Floating products and parts: 10.0%
- Other engineering products: 6.0%
- Electrical Machinery: 1.9%
- Non-Ferrous Metals and Products made of Non-Ferrous Metals: 17.8%
- Aircrafts and Spacecraft parts and products: 20.0%

**Capital Goods Turnover (US$ billion)**
- 2019: 92.0
- 2025F: 115.17

**Production by CPSEs under DHI (US$ billion)**
- FY18A: 5.20
- FY19E: 5.6
- FY20T: 5.68

**SECTOR COMPOSITION**

**KEY TRENDS**
- **Robust demand**: Capacity creation in sectors such as infrastructure, power, mining, oil and gas, refinery, steel, automotive, and consumer durables is driving demand in the engineering sector.
- **Higher Investments**: Comparative advantage vis-a-vis peers in terms of manufacturing cost, market knowledge, technology, and creativity is leading to higher investment.
- **Policy support**: De-licensed engineering sector; 100% FDI permitted. In November 2020, the government set up a 22-member inter-ministerial committee for strengthening India’s capital goods sector.
- **Attractive opportunities**: Government plans to invest Rs. 100 lakh crore (US$ 1.5 trillion) in infrastructure over the next five years.

**ENGINEERING AND CAPITAL GOODS**

**Make in India**

**100% FDI**

**Interministerial committee**

**Government Initiatives**

**Advantage India**

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Note: * - including product engineering services, F – Forecast, A – Actual, T – Target, E – Estimate

Note: * - Between April 2020 and January 2021