

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF HEAVY INDUSTRY

LOK SABHA
UNSTARRED QUESTION NO.149
TO BE ANSWERED ON 21.07.2015

Decline in Automobile Industry

149. SHRI GAJENDRA SINGH SHEKHAWAT:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether the Government is aware that the automobile industry of the country is under stress due to non-sale of products particularly trucks and other heavy vehicles and cars etc., as well as other factors;
(b) if so, the details thereof; and
(c) the remedial measures taken by the Government to protect automobile industry?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI G.M. SIDDESHWARA)

(a): The automobile industry had been under stress in the last three years and had been witnessing de-growth in a few segments on account of slowdown in the economy. The passenger vehicle segment, the commercial vehicle segment (specially the Medium & Heavy Commercial Vehicles) were either flat or de-growing during this period. The growth in these segments has revived in the current financial year.

(b): Details of the domestic sales and growth since FY 2013 - 14 are given below:

Category	Domestic Sales					
	2013-14		2014-15		2015-16 (Upto June 2015)	
	Units	Growth (%)	Units	Growth (%)	Units	Growth (%)
Passenger Vehicles	25,03,509	-6.05	26,01,111	3.90	6,53,302	6.17
Commercial Vehicles	6,32,851	-20.23	6,14,961	-2.83	1,46,159	3.55
Three Wheelers	4,80,085	-10.90	5,31,927	10.80	1,13,041	-6.77
Two wheelers	148,06,778	7.31	160,04,581	8.09	39,75,724	0.64
Grand Total	184,23,223	3.53	197,52,580	7.22	48,88,226	1.24

(c): The remedial measures taken by the Government to protect the industry were as below:

- i. The Government had lowered the duty on vehicles in February 2014, which continued until December 2014.
- ii. Orders were placed for buses under the JNNURM scheme.
- iii. Subsidies are being given electrical vehicles.
