

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES
LOK SABHA
UNSTARRED QUESTION NO. 422
ANSWERED ON 04.02.2020

DECLINE IN SALE OF CARS

422. SHRI DIBYENDU ADHIKARI:
PROF. SAUGATA RAY:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES भारी उद्योग एवं लोक उद्यम मंत्री be pleased to state:

- (a) whether the Government is aware that the sale of car in the country has dipped over 60 per cent in the last seven months period, if so, the details thereof and the reasons therefor;
- (b) whether the Government is also aware that the private car manufacturers have started retrenchment of workers in the country;
- (c) if so, the details thereof and the action taken by the Government thereon;
- (d) the proposal of the Government on their commitment of creating employment therein; and
- (e) the steps being taken by the Government to increase the automobile sale in the country?

ANSWER

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES
(SHRI PRAKASH JAVADEKAR)

(a) & (b): During the last seven months (June – December 2019) the sale of Passenger Vehicles has declined to 1.6 million from 1.9 million during the same period in 2018. Retrenchment of temporary workforce has been reported by the industry. However, no confirmed data on job loss is available with the Government.

(c) to (e): The Government, as a policymaker, always attempts to keep and improve momentum of the economy through a package of measure for comprehensive and continued development of the auto sector as and when required. Some of the steps taken by the Government to counter automotive slowdown can be summarized as under:

- Reduction in Corporate Tax to 22%
- Continuation of registration of ICE and EV in future
- Scrappage policy under consideration
- Proposed increase in registration of new cars deferred till June 2020
- Funds worth Rs. 70,000 crores released to PSU banks
- Linking of repo rate to interest charged for vehicle purchased
