

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 373
ANSWERED ON 20.07.2021

LOSSES IN AUTOMOBILE SECTOR

373. SHRI RAMESH BIDHURI:

Will the Minister of HEAVY INDUSTRIES भारी उद्योग मंत्री be pleased to state:

- (a) the steps taken by the Government for taking care of Automobile sector which has suffered huge losses due to COVID-19;
- (b) whether the Government has planned any package for employees working in Automobile industry; and
- (c) if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI KRISHAN PAL GURJAR)

(a) to (c): Yes Sir, the Government as a policy maker always attempts to sustain and improve momentum in the economy through a package of measures for comprehensive and continued development of the sector and its employees. It has announced several measures to support the Auto Industry during the COVID-19 crisis. These measures are as below-

1. Announcement of introduction of a voluntary vehicle scrapping policy, to phase out old and unfit vehicles.
2. Income Tax deduction of up to Rs. 1.50 lakh for interest paid on loan taken on purchase of Electric Vehicle before March, 2023.
3. Budget outlay of Rs 2,823 crore allocated for Medium and Heavy Vehicle procurement by Ministry of Defence.
4. Reduction on import Duty on Precious Metals and on certain grades of Steel.
5. An allocation of Rs. 18,000 crores has been made to support augmentation of public bus transport services.
6. The wholesale, and retail trade and repair of vehicles have been brought under the ambit of the Ministry of Micro, Small & Medium Enterprises (MSME) Development Act.
