

**GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE  
LOK SABHA**

**UNSTARRED QUESTION NO. 1699.  
TO BE ANSWERED ON WEDNESDAY, THE 27<sup>TH</sup> JULY, 2022.**

**CEASING PRODUCTION BY AUTOMOBILE MANUFACTURER**

**1699. SHRI KARTI P. CHIDAMBARAM:**

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

**वाणिज्य एवं उद्योग मंत्री**

- (a) whether any multi-national automobile or motorcycle manufacturer has ceased their production units in India and stopped selling their products during the past five years and if so, the details thereof;
- (b) the details of the funds invested by these manufacturers in India during the time they were operating in the country;
- (c) whether the Government is providing any incentives to multi-national automobile or motorcycle manufacturers to set up their production units in India;
- (d) if so, the details thereof and if not, the reasons therefor;
- (e) the details of the expected and the actual loss incurred till now in revenue generation due to these companies ceasing their operation in India with year-on-year basis for the last five years?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सोम प्रकाश)**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI SOM PARKASH)**

**(a) to (e):** The following automobile or motorcycle manufacturers have, during the past five years, ceased manufacturing of vehicles in India on account of restructuring of their business operations, business planning, decline in domestic sales etc. Exit may be related to possible operational reasons & does not in any way reflect the story of the Indian automobile sector or business environment in India.

- i) Harley Davidson
- ii) Ford India
- iii) General Motors (GM)

During their operations in India, the cumulative investment made by these companies is Rs. 31060 crores.

India's automotive growth story is alive and growing both in domestic and export markets. A churn in the market is a natural outcome of healthy competition and reflects relative competitiveness of companies as well as technological evolution to electric vehicles.

To incentivise auto companies, the Government notified the Production Linked Incentive (PLI) Schemes for automobiles and auto components on 23<sup>rd</sup> September, 2021. PLI Scheme for this sector has been successfully launched and has managed to attract proposed investment of Rs. 74,850 crore against the target estimate of investment Rs. 42,500 crore over a period of five years. 75 Applicants have been approved under "Component Champion Incentive Scheme"; 20 Applicants were earlier approved under "Champion OEM Incentive Scheme". Proposed investment of Rs. 29,834 crore expected from approved applicants under Component Champion Incentive Scheme. Incentive upto 18% are being given to industry to encourage industry to make fresh investments in indigenous supply chain of Advanced Automotive Technology (AAT).

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