

**GOVERNMENT OF INDIA  
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES  
LOK SABHA**

UNSTARRED QUESTION NO:1590  
ANSWERED ON:22.03.2012  
AUTOMOBILE INDUSTRY  
Owaisi Shri Asaduddin

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

- (a) whether the hike in petrol prices, high interest rates and inflation has hit hard the automobile sector in the country;
- (b) if so, the total reduction in production and export in this Sector;
- (c) whether Government proposes to give some relief to this sector to regain the market;
- (d) if so, the details thereof; and
- (e) the steps taken or being taken by the Government to boost the automobile sector?

**Answer**

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PRAFULPATEL)

(a): Yes Madam. Factors like rising interest rates and hike in fuel prices, among other factors, have affected the growth of this sector, thereby showing marginal growth during the recent months.

(b): As per the information received from the Society of Indian Automobile Manufacturers Association (SIAM), the production and export data of recent months is as under:-

In Apr. 2011-Feb.2012    Passenger Cars    UVs    Vans

Production    2,257,505    329,287    216,486

Growth rate (%)    2.59%    16.57%    10.40%

Domestic Sales    1,786,249    326,824    212,88?

Growth rate (%)    0.31%    14.66%    10.01%

Exports    450,439    4,606    1,803

Growth rate (%)    16.21 %    34.40%    (-) 18.60%

(c): Yes Madam.

(d) & (e): Various steps have been taken in pursuance of the Automotive Mission Plan (2006-16) and the new Foreign Trade Policy provides additional incentives which will expectedly boost the sales and export of vehicles in the country.