

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

UNSTARRED QUESTION NO:3519  
ANSWERED ON:04.08.2014  
SUBSIDY ON NEW VEHICLE  
Thakur Shri Anurag Singh

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

- (a) whether the Government is contemplating to bring a new scheme to provide subsidy on purchase of a new vehicle by selling off a 15 years old commercial vehicle so as to boost the automobile sector;
- (b) if so, the details thereof along with the measures taken to check misuse of the said scheme; and
- (c) the other steps taken by the Government to boost the pace of this sector?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PON. RADHAKRISHNAN)

(a) & (b) No, Madam.

(c) The Government has drawn a ten year Automotive Mission Plan (AMP)2006-16 for the Indian Automotive Industry to maintain high rate of growth and to retain the attractiveness of Indian market and for further enhancing the competitiveness of Indian companies. The Mission plan is a corner stone of the Govt. Policy for the sector. Apart from this, the Government has also taken several other initiatives to strengthen this sector; such as setting up of Automotive Skill Development Council (ASDC), support to R&D projects through automotive cess funding, starting of National Automotive R&D Infrastructure Project (NATRIP) for setting up of world class infrastructure for homologation and testing, setting up of the National Automotive Board (NAB) as repository of auto R&D expertise and an apex coordinating body to address the need of collaborative R&D and synergizing the activities of NATRIP. The Government has also taken initiative for introducing Electric/Hybrid transportation in the country under National Electric Mobility Mission Plan (NEMMP) 2020 to provide clean mobility solution to the people while reducing the country's dependence on fossil fuel. NEMMP 2020 visualizes introduction of 6-7 million hybrid/electric vehicles by the end of 2020. The Government has also recently reduced excise duty rates on vehicles which has helped boost sales in the past several months.