

(e) the manner in which Ministry is going to convince Finance Ministry to extend GST reduction to all vehicles, including small, medium and large trucks?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PRAKASH JAVADEKAR): (a) There has been a slowdown in the automotive sector. There are various financial, regulatory and perceptual reasons for this slowdown that include:—

- Reduction in finance availability to Auto Sector
- Increase in Axle Load limit for commercial vehicles by up to 25%. This expanded freight capacity led to shrinkage of new vehicle demand
- High ownership cost of vehicle, due to upfront collection of 3rd party insurance, transition to BS VI emission norms etc.
- Negative consumer sentiments due to the corona pandemic

(b) As per information provided by Society of Indian Automobile Manufacturers (SIAM) on domestic sales of vehicles, there has been a 3.86% Year on Year (YoY) drop in the sales of passenger vehicles, 77.16% YoY drop in sales of three-wheelers and 15.24% YoY drop in sales of two-wheelers, in the month of July 2020 *vis-a-vis* July 2019. This drop has not increased in August 2020. Instead, there has been a 14.16% YoY rise in the sales of passenger vehicles, 75.29% YoY drop in sales of three-wheelers and 3% YoY rise in sales of two-wheelers, in the month of August 2020 *vis-a-vis* August 2019.

(c) The Government, as a policymaker, always attempts to sustain and improve momentum of the economy through a package of measures for comprehensive and continued development of the sector.

(d) and (e) GST rates are prescribed on the basis of recommendations of GST Council.

#### **Slump in automobile industry**

867. SHRI M.V. SHREYAMS KUMAR: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether manufacturing of automobile has been reduced and the automobile sales decreased due to the spread of COVID-19 virus in the country;

(b) if so, the details thereof; and

(c) the measures being taken by Government to tackle this situation?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PRAKASH JAVADEKAR): (a) and (b) Yes Sir. As reported by Society of Indian Automobile Manufacturers (SIAM), the production of automobiles in the 1st quarter of 2020-21 (April-June 2020) was 14,86,594 against 72,13,045 during the same period last year and the domestic sales of automobiles in the 1st quarter of 2020-21 was 14,91,216 against 60,84,478 during the same period last year.

(c) The Government, as a policymaker, always attempts to sustain and improve momentum of the economy through a package of measures for comprehensive and continued development of the sector.

#### **International film festival at Goa**

868. SHRI VAIKO:

SHRI K. R. SURESH REDDY:

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether Government has taken a decision to hold International Film Festival of India (IFFI) in Goa in the month of November, 2020, despite ongoing COVID-19 pandemic;

(b) if so, the details thereof;

(c) whether Government has obtained permission from the Ministry of Home Affairs to hold the international event; and

(d) the details of steps taken to ensure social distancing and other protocols' compliance during the event?

THE MINISTER OF INFORMATION AND BROADCASTING (SHRI PRAKASH JAVADEKAR): (a) No, Sir. The decision is yet to be taken after reviewing COVID-19 situation.

(b) to (d) In view of (a), do not arise.