

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 551
ANSWERED ON 29.11.2024

INCENTIVES TO TWO WHEELER PRODUCTION COMPANIES

551. SHRI ASHOKRAO SHANKARRAO CHAVAN:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

- (a) whether India has surpassed China as biggest two wheeler market in the world;
- (b) if so, the details thereof;
- (c) whether Government proposes to incentivise the two wheeler production companies in the country to maximize its reach to the people, particularly in the rural areas of the country;
- (d) if so, the details thereof and steps taken in this regard;
- (e) whether Government proposes to link it with Production Linked Incentive (PLI) Scheme to give boost to two wheeler industry; and
- (f) if so, the details thereof and measures taken in this regard?

ANSWER

MINISTER OF HEAVY INDUSTRIES
(SH. H.D. KUMARASWAMY)

(a) & (b): Yes. As per information received from Society of Indian Automobile Manufacturers (SIAM), 16.6 million units of two-wheelers were sold in China in Calendar Year (CY) 2023 while total two-wheelers registered in India in CY 2023 were 17.10 million (as per Vahan database for CY 2023).

(c) to (f): Entry level two-wheeler manufacturers in India already have their reach to rural areas of the country. The Production Linked Incentive (PLI) scheme for Automobile and Auto components approved by the Government on 15th September, 2021 with a budgetary outlay of Rs. 25,938 crores proposes financial incentives to boost domestic manufacturing of Advanced Automotive Technology (AAT) products and attract investments in the automotive manufacturing value chain. AAT two-wheelers are also eligible for incentives under the scheme ranging from 13% to 18% on determined sales value. As on 26.11.2024, five two-wheeler Original Equipment Manufacturers (OEMs) are approved under the scheme. The details of the scheme are available at <https://heavyindustries.gov.in/pli-scheme-automobile-and-auto-component-industry>.
