

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

STARRED QUESTION NO:140
ANSWERED ON:03.03.2000
IMPORT OF SECOND HAND CARS
MANIBHAI RAMJIBHAI CHAUDHARY;SURESH KURUP

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

- (a) Whether the FICCI has requested for import of second-hand cars for the maximum benefits to consumers;
- (b) If so, the reaction of the Government thereto;
- (c) Whether the consumers are likely to be benefited by this import;
- (d) If so, the details thereof and its impact on domestic automobile industry;
- (e) Whether domestic Automobile Industry has urged the Government not to import second hand cars;
- (f) If so, the reaction of the Government thereon; and (g) The steps taken to protect the interests of domestic automobile industry?

Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)

(a) to (g) A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) OF LOK SABHA STARRED QUESTION NO. 140 FOR ANSWER ON 03.03.2000 REGARDING IMPORT OF SECOND HAND CARS.

Secondhand cars are classified under Exim Code Sub-heading 87.03 of ITC(HS) Classifications of Export and Import Items, 1997-2002 and import of these items is presently restricted.

FICCI has not made any formal request to the Government for allowing import of second hand cars. However, the Society of Indian Automobile Manufacturers has represented to the Government that free import of second hand cars should not be allowed.

In view of India's International Commitments, all quantitative restrictions on imports maintained by India for balance of payments reasons are required to be removed by 1.4.2001. However, even after removal of quantitative restrictions, the imports will still be subject to applicable tariffs, technical standards and environmental and safety norms. These measures or their combination will be appropriately used to protect our domestic automobile industry. A decision on this issue will be taken in due course after examining all relevant aspects.