

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

UNSTARRED QUESTION NO:1398
ANSWERED ON:03.03.2000
AUTOMOBILE INDUSTRY
RASA SINGH RAWAT

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

- (a) Whether the Government have prepared any scheme to promote automobile industry in the country;
- (b) if so, the details thereof;
- (c) the present status of the automobile industry in the country including the status of automobile companies which have entered the country alongwith the Maruti Udyog;
- (d) whether automobile manufacturing in India is sufficient to meet the demand abroad;
- (e) if not, the reasons therefor;
- (f) whether any proposal is under consideration of the Government to give sanction for the manufacture of higher number of cars; and
- (g) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY(DR. RAMAN SINGH)

(a): No sir. The automobile sector has been delicensed and the simplified procedures applicable to delicensed sectors are also applicable to the automobile sector.

(b): Does not arise.

(c): The present status of the automobile sector is shown in the statement attached at Annexure-I. The status of the automobile companies which have entered the country along with the Maruti Udyog Limited is shown in the statement attached at Annexure-II.

(d) & (e): After liberalisation, there has been substantial capacity creation, in the automobile sector, both in four wheeler segment and two/three wheeler segment. In so far as meeting the demands abroad is concerned, no such study has been conducted.

(f) & (g): Since the Sector has been delicensed, no sanction of the Government for manufacture of cars is required. The entrepreneurs, however, are required to file an Industrial Entrepreneur Memorandum (IEM) with the Secretariat for Industrial Assistance (SIA) in the Department of Industrial Policy & Promotion.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION No. 1398 FOR ANSWER ON 3-3-2000.

Present Status of automobile sector

Segment	Production	Sales(incl. of exports)		Exports			
		1998-99 (up to Jan 1999)	1999-2000 (upto Jan 2000)	1998-99 (up to Jan 1999)	1999-2000 (upto Jan 2000)	1998-99 (up to Jan 1999)	1999-2000 (upto Jan 2000)
Passenger Car	313280		447755	325562	508934	18954	16232
Multi Utility Vehicles	91498	95709	88624	92976	1994		3632
Commercial Vehicls	104221	140183	103578	131330	7102		6358
Three Wheelers	174667	171773	170165	167720	17280		15527
Two Wheelers	2752804	3044499	2757900	3045199	77138		62189

ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION No. 1398 FOR ANSWER ON 3-3-2000.

Status of automobile companies which have entered the country along with the Maruti Udyog Limited

Segment	Production	Sales(incl. of exports)		Exports		
		1998-99 (up to Jan 1999)	1999-2000 (upto Jan 2000)	1998-99 (up to Jan 1999)	1999-2000 (upto Jan 2000)	
Daewoo Motors (India) Ltd.	NA#	NA#	8,249	29,549	00	895
Fiat India Automobiles Ltd	2,738	54	2,574	60	00	00
Ford India Ltd	NA#	NA#	2,776	4,523	00	00
General Motors Ltd.	2,790	1,939	2,962	2,036	00	00
Hindustan Motors Ltd.	16,742	20,914	15,795	21,093	00	00
Honda Siel Card India Ltd.	NA#	NA#	7,668	7,383	00	14
Hyundai Motor India Ltd.	11,765	37,686	11,201	59,773	00	10
Ind. Auto Ltd.	7,311	16,039	7,030	17,649	6	157
Maruti Udyog Ltd.	268,566	326,693	263,681	323,058	17,155	14,618

Mercedes Benz India Ltd.	1,132	359	1,012	748	494	292
PAL Peugeot Ltd.	389	32	434	9	00	00

(Source: Society for Indian Automobile Manufacturers (SIAM))