

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3456
ANSWERED ON:15.12.2006
REPRESENTATION FROM INDIAN AUTOMOBILE INDUSTRY
Badiga Shri Ramakrishna

Will the Minister of FINANCE be pleased to state:

(a) whether any representations have been received from the Indian Automobile Industry for tax holiday for investments exceeding Rs.500 crores on the lines of infrastructure projects;

(b) if so, the details thereof;

(c) whether the Automobile Industry is also demanding 100% tax deductions on export profits and one-stop clearance for FDI proposals in the auto sector; and

(d) if so, the details thereof and reaction of the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) Yes, Sir.

(b),(c)&(d) The Memorandum of the Society of Indian Automobile Manufacturers

(SIAM) contains numerous fiscal policy proposals. Such proposals are considered during the budgetary exercise and the decision of the Government gets reflected in the Finance Bill.