

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

UNSTARRED QUESTION NO:388
ANSWERED ON:25.02.2000
MANUFACTURING OF SPARE PARTS .
AJIT SINGH;NAWAL KISHORE RAI

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

- (a) Whether any condition to manufacture spare parts of car indigenously was imposed on car manufacturers at the time of giving them permission in India;
- (b) If so, the details thereof; (
- (c) Whether the Government propose to waive the said condition for the time being;
- (d) If so, the reasons therefor;
- (e) Whether there is steady increase in the production and sale of cars in the country ; and
- (f) If so, the details thereof ?

Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)

(a) to (d) No such condition was imposed on car manufacturers at the time of giving them permission in the country. Further the Foreign Collaboration approvals granted for manufacturing of cars were subject to the condition of dividend balancing and for manufacturing of auto - components/spare parts , no specific condition was imposed as per the existing Foreign Direct Investment Policy.

(e) and (f) There has been no steady growth in the production and sale of cars in the country during the years 1996-97, 1997-98 and 1998-99.