

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

UNSTARRED QUESTION NO:2916

ANSWERED ON:13.12.2005

FOXWAGON CAR COMPANY

Aaron Rashid Shri J.M.;Masood Shri Rasheed;Mishra Dr. Rajesh Kumar

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

- (a) whether Foxwagon has changed its plan to set up plant in India as reported in the 'Navbharat Times' dated July 18, 2005;
- (b) if so, the facts and matters reported therein;
- (c) whether this company was allowed to set up plant in India without verifying the authenticity of this company; and
- (d) if so, the action taken against the officers responsible for according permission for the purpose?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI E.V.K.S. ELANGO VAN)

(a) to (d): M/s Volkswagen AG, Germany had been interacting with the Government of Andhra Pradesh on their plan to set up a manufacturing facility in India. In January 2005, the company conveyed to the State Government their decision to set up the project at Visakhapatnam, Andhra Pradesh. On 25th July 2005, Chairman of the Board of Management of Volkswagen AG addressed a letter to the State Government expressing the company's strong interest in entering the Indian market. Recently, in November 2005, a delegation from the company visited Andhra Pradesh to study alternate locations.