

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:2956

ANSWERED ON:18.08.2011

AUTO COMPONENT INDUSTRY

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Gaikwad Shri Eknath Mahadeo

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether the Government has taken any steps to make the auto component industry globally competitive;
- (b) if so, the details thereof;
- (c) if not, the reasons for the same; and
- (d) the steps taken/being taken by the Government in this regard?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PRAFUL PATEL)

(a): Yes, Madam.

(b): With a view to make the automotive industry, including auto component industry, globally competitive, the Automotive Mission Plan (AMP) 2006-16 was launched by the Prime Minister in January 2007. The Government, as envisaged in the AMP, has addressed a wide range of issues including upgrading infrastructure for automotive R&D needs by setting up of world class automotive testing, homologation and certification facilities under National Automotive Testing and R&D Infrastructure Project (NATRIP).

Further, a UNIDO-ACMA Cluster Development programme funded by the Government (for last ten years upto 2009) has successfully enhanced the performance of domestic SMEs in the automotive component industry. In addition, in 2003, the Department of Industrial Policy & Promotion also launched a central sector scheme i.e. Industrial Infrastructure Upgradation Scheme (IIUS) with a view to enhancing competitiveness of industry by providing quality infrastructure through public private partnership (PPP) model in selected functional clusters. A number of automotive clusters have also benefited from this scheme.

The Department of Heavy Industry has also been providing financial support to auto component industry to participate in major international auto shows and events for creating global image and gaining international business.

(c): Question does not arise.

(d): In addition, in order to bridge the large skill gap in the auto sector, the Automotive Skills Development Council (ASDC) promoted by automobile industry association with support from Government has been set up and registered as a society. Moreover, every year the Department of Heavy Industry is providing funds for undertaking precompetitive R&D in the automotive sector.