

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

UNSTARRED QUESTION NO:3835
ANSWERED ON:30.07.2009
SCOOTERS INDIA LIMITED
Saroj Smt. Sushila

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

- (a) whether the Government has appointed Automotive Research Association of India without competitive bid to improve product to make zero defect vehicle in the Scooter India Limited;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Scooters India Limited has spent about 10.5 crore for the production of zero defect vehicle; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ARUN YADAV)

(a)to(d): In January, 2006 a technical committee was constituted for taking a view on the proposal of Scooters India Limited (SIL)and Automotive Research Association of India (ARAI) for development of a four stoke engine. ARAI is the most reputed, experienced and premier automobile testing and homologation autonomous institute in India under the administrative control of Department of Heavy Industry. This committee, with a view to examine the issues in detail, formed a Technical Sub Committee in February, 2006. During deliberations of this Sub Committee, Director, ARAI submitted a detailed diagnostic study of SIL which included issues for improving the performance of SIL and covered areas relating to manufacturing, product quality improvement, HR development including manpower training and vendor development. Thereafter, a detailed proposal for major business process & performance improvement programme for SIL was prepared and submitted by Director, ARAI. CMD, SIL after examining the same agreed to the recommendations made in the report. This proposal was taken up as per extant rules for the approval of the Standing Finance Committee (SFC). Consequent to the approval of the SFC in January,2007, Jagriti Project was finalized for helping SIL in resolving problems pertaining to product quality, productivity and for bringing down costs of the product. This project also envisaged manufacture of zero defect vehicle. As per information furnished by SIL, it has incurred an expenditure of Rs.37.52 lakhs only towards production of zero-defect vehicle.