
PRESENT SCENARIO & PERFORMANCE OF AUTOMOBILE INDUSTRY IN INDIA

Hemant Kumar

Research Scholar

Faculty of Commerce & Management Studies

Himachal Pradesh University,

Summer Hills, Shimla

ABSTRACT

The automobile industry plays a significant role as it has employed 9 million people and includes approximately 5% of world's total employment in manufacturing unit. Production of world's automobile industry has spread across three major regions that include North America, Europe and Asia. World's automobile Industry has undergone major restructuring and India has become a leading player along with nations like China, south Korea, beside the giant Japan. Post Independence, India espoused a central economic system, a partial liberalization was implemented in 1980 . The central government formed a venture with Maruti Udyog in 1981. The car produced by Maruti was affordable for Indians, small in size and suitable for Indian roads. The passenger car market in India is dominated by Suzuki, Hyundai Motors and Tata Motors where Suzuki has dominated with more than 50% of the passenger car market share and has covered more than 90% of both brand and price competitiveness. Indian automobile industry has its origin in 40's and has considered growing due to economic liberalization including 100% FDI in the sector. The Indian automobile industry is striving for global competitiveness and is clear from the fact that the manufacturers are the second-largest after Japan for the quality for Deming. Indian economy has provided to its citizens the best fuel rates as well as affordable cost of ownership.

Key words: Automobile, Production

INTRODUCTION

According to data published by Department of Industrial Policy and Promotion (DIPP), ministry of Commerce, the amount of cumulative foreign direct investment (FDI) inflow into the auto sector from April 2000 to November 2012 was worth US\$7,518 million. The auto sector accounts for 4 per cent of the total FDI Inflows (in terms of US \$) in India. According to the recent data released by Society of Indian Automobiles Manufacturers (SIAM) India's scooter and motorcycle manufacturers have registered 4 per cent growth during April-November, 2012. The Global and Indian manufacturers are focusing their efforts to develop innovative products, technologies and supply chains. India is one of the key markets for Global Manufacturers for hybrid and electronic vehicles, which is the new development in automobile sector. With a turnover of almost \$59 Million US Dollars, Automobile industry Provides employment to 13 million people in the India Work-class.

The automobiles sector is divided into four segments - two-wheelers, passenger vehicles, commercial vehicles and three wheelers. Two wheelers. India is one of the world's fastest growing passenger car markets it is second largest two wheeler manufacturer and fifth largest commercial vehicle manufacturer. It is also home for the largest motor cycle manufacturer. Moreover, India is fourth largest passenger car market in Asia. The auto sector in India has achieved a growth rate of 26% in last two years (2010-12). However, it has shown a sluggish growth of 12 percent in 2012. The trend is likely to stay with a 10 percent growth outlined for 2013. The main reason are high ownership costs (fuel costs, cost of registration, excise duty, road tax) and slow rural income growth. Over the next few Years solid but cautious growth is expected. The Macquarie equities research reveals that the sale of passenger vehicles is expected to double in the next four years and growth anticipated is higher than the 16% achieved in the past 10 years. The automotive Mission Plan 2016 launched by the Government of India seeks to grow the industry to a size of \$145

billion by 2016 and make it contribute 10 per cent to the nation's GDP.

The growth for automotive industry is important for growth in economy, particularly because the automotive industry has strong multiplier effect. It is capable of being the driver of economic growth. High direct to indirect employment ratio of about 1:10 is estimated for the automobile industry, because automobile industry has potential to generate employment for about 10 more for every person employed directly in automobile manufacturing industry. These indirect employments include employments in ancillary and component industries, automobile service stations mechanics, loaders and cleaners of commercial vehicles, institutions financing purchase of vehicles and people who drive commercial vehicles and hired vehicles. There is a symbiotic relationship between the growth of economy and the demand for vehicles.

In the past few years, the production and management systems in the India automobiles industry have been revolutionaries. The fast growth of automobiles industry is due to the convergence of a lot of positive factors. These factors have resulted in the introduction of new models. Following are some of the important growth drivers:

1. ROAD INFRASTRUCTURE DEVELOPMENT:

Infrastructure development in India has contributed majorly in the country's economic transformation and growth during the last decade. Development of Road is one of key segment of infrastructure development in India. With a total length of 4.1 million kms, today Indian road network is the second largest in the world. There has been continuous development of road infrastructure in terms of quality and connectivity. Projects like Golden quadrilateral aim to make even remote areas accessible by road. Some of the National Highways are of International nature. In 2011-12, The Government awarded projects for construction of 7,900 km. According to the statistics released by Department of Industrial Policy and Promotion (DIPP), US\$ 644 million FDI was received in the sector construction activities (including roads and highways) during April-September 2012-13. The vast development of road infrastructure has made road transport both in the case of passenger traffic and goods transport a viable, cost effective and speedy option of transportation.

2. INCREASE IN PER CAPITA INCOME:

India's gross national income per capita has increased to Rs.53,331/- in 2014-15, which is three times the per capita income of Rs.19,040 in 2006-07, averaging 13.7% growth over these eight years. This has pushed up the demand for passenger vehicles in India directly and commercial vehicles indirectly due to retail boom and industrial boom for consumer durables. Rising incomes among Indian population will lead to increased affordability, increasing domestic demand for vehicles, especially in the small car segment.

3. COST EFFECTIVENESS OVER OTHER DEVELOPING COUNTRIES:

Due to availability of skilled and qualified engineers, India has a competitive edge over the developing countries in terms of labour cost. In terms of cost, with availability of skilled labour and qualified engineers, India has competitive edge over developing countries. According to a study by KPMG in 2007, India Automotive Study, the labour cost per hour in UK, USA and Germany was around \$20, while in India it works out to \$1.60. Due to the huge savings in the labour cost sourcing auto components and finished cars in India, the global players have made their presence. India is reckoned as a low-cost global manufacturing base for small cars. Hyundai has already taken the lead in this respect. The Korean company's Indian unit is a major exporter of cars.

4. RESEARCH & DEVELOPMENT AND INNOVATIONS:

Research & Development and Innovations are fuel for development of automobile industry. Since in

Automobile sector survival of the fittest is determined by innovation, the innovations and inventions of new processes and techniques is the heart of the automobile industry. Car manufacturers are investing nearly 1% of total sales on R&D, R&D for Vehicles based on alternative fuels will be an area of interest for both consumers and auto makers. The Manufacturer in India are investing in R&D to adapt manufacturing of vehicles to changing customer preferences in order to provide answer to global challenges and for the continued success of the automobile industry. National Automotive Testing and R&D infrastructure Project (NATRIP) has been set up in Rae Bareilly, Ahmednagar, Pune, Manesar, Silchar, Indore and Chennai for Strengthening the R&D infrastructure.

5. RISING PER CAPITA GDP:

the per capita GDP of India increased from 1200 USD in 2011 to almost 1330 USD in 2012. This is further expected cross the 2000 mark by 2015. The purchasing power will increase, which will result in increase in demand of automobile industry in India.

PERFORMANCE OF AUTO INDUSTRY DURING 2015-16

The industry produced a total 23,960,940 vehicles including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle in April-March 2016 as against 23,358,047 in April-March 2015, registering a marginal growth of 2.58 percent over the same period last year. The sales of Passenger Vehicles grew by 7.24 percent in April-March 2016 over the same period last year. Within the Passenger Vehicles, Passenger Cars, Utility Vehicles and Vans grew by 7.87 percent, 6.25 percent and 3.58 percent respectively during April-March 2016 over the same period last year. The overall Commercial Vehicles segment registered a growth of 11.51 percent in April-March 2016 as compared to the same period last year. Medium & Heavy Commercial Vehicles (M&HCVs) registered a growth at 29.91 percent and Light Commercial Vehicles grew marginally by 0.30 percent during April-March 2016 over the same period last year. Three Wheelers sales grew by 1.03 percent in April-March 2016 over the same period last year. Passenger Carrier sales grew by 2.11 percent & Goods Carrier sales declined by (-) 3.62 percent respectively in April-March 2016 over April-March 2015. Two Wheelers sales registered a growth at 3.01 percent during April-March 2016 over April-March 2015. Within the Two Wheelers segment, Scooters grew by 11.79 percent while Motorcycles and Mopeds dropped by (-) 0.24 percent and (-) 3.32 percent respectively in April-March 2016 over April-March 2015. In April-March 2016, overall automobile exports grew by 1.91 percent. Passenger Vehicles, Commercial Vehicles, Three Wheelers and Two Wheelers registered a growth of 5.24 percent, 16.97 percent (-) 0.78 percent and 0.97 percent respectively in April-March 2016 over April-March 2015.

HISTORY OF AUTOMOBILE INDUSTRY

The history of automobile industry is more than four centuries old the first invention of automobile industry was as early as in 1769. A French Engineer, Nicolas J. Cugnot invented the first self-powered, three-wheeled, military tractor that made the use of a steam engine. The range of the automobile however was very brief. These automobiles were driven by steam engines, which made them very heavy and large. Besides, this the engine required ample starting time. Thereafter, in the U.S. Oliver Evans designed a steam engine driven automobile. Then came the era of electric carriage. A Scotsman, Robert Anderson, invented an electric carriage between 1832 and 1839 first. In 1842 Thomas Davenport of the U.S.A and Scotsman Robert Davidson invented more applicable automobiles, making use of non-rechargeable electric batteries. Col. Rookes Crompton introduced public transport wagons strapped to and pulled by imported steam road rollers called steamers. The maximum speed of these buses was 33 kms/hr. The first theoretical plans for a motor vehicle were drawn by Leonardo da Vinci and Isaac Newton. History of Automobile Industry reveals that US dominated the automobile markets around the globe. There were no notable competitors at that time. After Second World War in 1945 the Automobile Industry of other technologically advanced nation such as Japan and certain European nation gained momentum. The U.S. Automobile Industry was flooded with foreign automobile companies, especially Japan Germany within a

very short period beginning early 1980s.

The history of automobile industry in India is also quite old. Simpson & Co established in 1840 were the first to build a steam car and a steam bus in India. The first car ran on India's roads in 1898 in Bombay. After the end of the World War a large number of military vehicles came on the roads in India in 1919. American General Motors, a wholly owned Indian subsidiary of started assembly of CKD Trucks and Cares in 1928 In Bombay. Canadian Ford Motors started assembly of cars in 1930-31 in Madras, Bombay and Calcutta. In 1942 Hindustan Motors Lt was incorporated. Hindustan Motors produced its first vehicle in 1950. In 1944 premier Automobiles Ltd incorporated. The first vehicle was produced by it in 1947. Thereafter, in 1947 Bajaj started assembly of Auto in its scheme of replacing cycle rickshaw by auto under a license from Piaggio..

PRESENT SCENARIO OF AUTOMOBILE INDUSTRY

Real growth journey of automobile industry started in 1991 by the announcement of New Industrial Policy delicensing of Automobile industry by Govt. of India. The New Industrial Policy of 1991 provided that except in some special cases industrial license is not required for setting up of automobile manufacturing unit. Progressive liberalization was made by Govt. Of India in the norms for Foreign Investment and import of technology. This was done with a view to make the automobile industry globally competitive. Continuous economic liberalization since 1991 witnessed a rapid growth of automobile industry in India, thereby making India as one of the sought after destination by global automotive players. Due to continuous growth of the industry in India, the automobile sector has been aptly described as the sunrise sectors of the Indian economy. Due to relaxed restrictions, positive support by Government and increased competitiveness, the Indian automobile industry has demonstrated sustained growth in last two decades. Tata Motors, Maruti Suzuki, and Mahindra and Mahindra, are among those several automobile manufacturers who have expanded their domestic and international operations. Continuous rapid growth of automobile industry resulted in further expansion of domestic automobile market. This rapid expansion attracted investment by multinational automobile manufacturers in India. Hyundai, Suzuki, General Motors and other foreign automobile players.

Have set up their base and India is emerging as a strong automotive R&D hub. Owing to Government support of liberalization policy combined with entrepreneurial skills and managerial talent that the industry has, India has come a long way. Today, this sector is one of the shining examples of what can be achieved in a relatively short span of time. The past ten years have witnessed a six fold increase in the industry and the automotive exports growing by almost twenty times. Starting from Tata's small car Tata Nano's successful entry in India Automobile Sector, Indian market has steamed up the opportunities of growth available in alternative segments like electric cars, natural gas run vehicles etc. During April 2000 to November 2012 total cumulative FDI inflow in Automobile Industry in India was worth US\$7,518 million, as per data published by Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce. India's scooter and motorcycle manufacturers have registered

Four per cent growth during April-November 2012, according to the recent data release by the Society of Indian Automobile Manufacturers (SIAM). Moreover, the passenger vehicles segment grew at 9.71 per cent during April-June 2012, while overall commercial vehicles segment registered an expansion of 6.06 per cent year-on-year (y-o-y). According to a report titled, "Strategic Assessment of Small and Light Commercial Vehicles in India" by Forst & Sullivan, the Indian small and light commercial vehicle segment is expected to more than double by 2015-16 and to grow at 18.5 per cent compound annual growth rate (CAGR) for the next five years. The automobile industry in India has become one of the largest manufacturing sectors all over the World. However, there has been a sudden spurt in the Indian Automobile Industry, especially since last two years. The automobile industry has posted double digit growth in India during these two years.

The automotive Industry in India is now working in terms of the dynamics of an open market. Number of Multinational Companies are now operating in India. They are operating either as wholly owned subsidiaries or in collaboration with their Indian partners. The automobile sector has been benefitted by liberalization of Indian economy to a large extent. The automobile manufacturers in India have made available various international brands for Indian consumers. Taking advantage of favorable Government policies, locally available efficient and cost competitive manpower, modern technology, firms like Hyundai Motors are supplying cars in the International market using its manufacturing facility in India. According to the President and Managing Director of Ford India, Mr. Joginder Singh, India is expected to become the third largest automobile market in the world. According to Tomas Ernberg, Managing Director, Volvo Auto India, by 2020 the luxury car segment is estimated to be around three per cent of the overall passenger car market in India and there is huge opportunity for growth. India is the largest base to export compact car to Europe. Major investments are made by almost every major car maker – Ford, PSA & Maruti. They have set up new plan in Gujarat. Tata's and Mahindra's are launching the new models based on global platforms. Government has line up some challenges in Automotive Mission Plan (AMP) 2006-2016. Sharp increase in demand has greatly benefitted the automobile industry.

The production of automobiles has greatly increased in the last decades. It is evidence from the production figures given in Table-1.1 below that Automobile Industry passed the 1 million mark during 2007-08 and has more than double since then. The growth rate barring 2011-12 and 2012-13 (due to recession in USA and Europe) from 2005-06 to 2015-16 ranges between 13.80% and 27.2% over its preceding year.

Table 1.1: Automobile Production Trend (Number of Vehicles)

Category	Passenger Vehicles	Commercial Vehicles	Three Wheelers	Two Wheelers	Grand Total	Growth % age
2005-06	669719	162508	212748	4271327	5316302	
2006-07	723330	203697	276719	5076221	6279967	18.127
2007-08	989560	275040	356223	5622741	7243564	15.344
2008-09	1209876	353703	374445	6529829	8467853	16.902
2009-10	1309300	391083	434423	7608697	9743503	15.065
2010-11	1545223	519982	556126	8466666	11087997	13.799
2011-12	1777583	549006	500660	8026681	10853930	-2.111
2012-13	1838593	416870	497020	8419792	11172275	2.933
2013-14	2357411	567556	619194	10512903	14057064	25.821
2014-15	2982772	760753	799553	13349349	17892427	27.284
2015-16	3123528	911574	877711	15453619	20366432	13.827

Table 1.2: Gross Turnover of the Automobile Industry in India
Automobile Production Trend (Number Of Vehicles)

Category	2005-06	2015-16
Passenger Vehicles	669719	3123528
Commercial Vehicles	162508	911574
Three Wheelers	212748	877711
Two Wheelers	4271327	15453619
Grand Total	5316302	20366432

Automobile Production Trend (Number Of Vehicles)

Category	2005-06	2015-16
Passenger Vehicles	100	466
Commercial Vehicles	100	561
Three Wheelers	100	413
Two Wheelers	100	362
Grand Total	100	383

Year	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Turn over in USD Million	20896	27011	30476	36612	33250	43296	58583
Growth%		29.264	12.828	20.134	-9.183	30.214	35.308

Automobile Industry in India is growing at a very high rate. The growth rate ranges between 12.24% and 26.44% over its preceding year sales. Table 1.3 below gives the domestic sales trend India:

Table 1.3:Automobile Domestic Sales Trends (Number of Vehicles)

Category	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Passenger Vehicles	707198	902096	1061572	1143076	1379979	1549882	1552703	1951333	2501544	2618072
Commercial Vehicles	190682	260114	318430	351041	467765	490494	384194	532721	684905	809532
Three Wheelers	231529	284078	307862	359920	403910	364781	349727	440392	526024	513251
Two Wheelers	4812126	5364249	6209765	7052391	7872334	7249278	7437619	9370951	11768910	13435769
Grand Total	5941535	6810537	7897629	8906428	10123988	9654435	9724243	12295397	15481383	17376624
Growth %	13.112	14.626	15.962	12.773	13.671	-4.638	0.723	26.441	25.912	12.242

The automobile industry has earned a strong reputation in the export market. Indian vehicles and their components are in great demand all over the world. Automotive industry of India is now finding increasing recognition worldwide. While a beginning has been made in export of vehicles, the potential in this area still remains to be fully tapped. Significantly, during the last two years the exports in this sector has grown specifically in export of car and two / three wheelers. Table 1.4 below gives the exports trends of automobile industry in terms of number of vehicles. The growth trend is increasing since 2005-06 over its preceding year export. The export has increased multifold in 2015-16 when compared to 2005-06. The export of passenger vehicles has increase to 954% that of commercial vehicles 781%. Three wheelers 2347%, two wheelers 1869% and total it has increased to 1576%.

Table 1.4 : The Global Majors In Automobile Industry In India

Category	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Passenger Vehicles	70828	129291	166402	175572	198452	218401	335729	446145	444326	507318
Commercial Vehicles	12255	17432	29940	40600	49537	58994	42625	45009	74043	92663
Three Wheelers	43366	68144	66795	76881	143896	141225	148066	173214	269968	362876
Two Wheelers	179682	265052	366407	513169	619644	819713	1004174	1140058	1531619	1947198
Grand Total	306131	479919	629544	806222	1011529	1238333	1530594	1804426	2319956	2910055
Growth %	68.572	56.769	31.177	28.064	25.465	22.422	23.601	17.891	28.57	25.436

Now more and more foreign manufacturers are coming to India and existing companies are coming up with new models. India's automotive industry is now \$34 billion worth and expected to grow \$145 in another 10 years.

Presently following is the segment-wise position of market share in Automobile Industry:

THE FUTURE OF INDIAN AUTO INDUSTRY

For the future of the Indian auto industry. The Government of India and the automotive industry had jointly set a road map, a vision. It is known as Automotive Mission Plan (AMP) 2006-16. To secure a share of growing domestic market, foreign carmakers continue to come to India. Super-luxury carmakers are beginning to enter the Indian market. The small-car market, which already account for two-thirds of domestic sales, offers promising prospects for sales growth as increasing affluence enables more Indians to trade up from motorcycles. Sales of commercial vehicles are forecast to expand strongly rising by annual average of almost 15% a year in the next five years to around 830000 units in 2015-16. The automotive industry in India countries to grow rapidly as a result of lower costs and rising quality of production. The Indian automobile sector is expected to grow faster than US, Japan and Germany in the next 5 years.

The total turnover of Indian automotive industry in 2014-15 was USD 73 billion. The export turnover was USD 11 billion. It is expected Indian automotive industry will continue to grow in the coming years. This expectation is based on the fact that most of the primary demand drivers are very favourable. Growth of economy, easy availability of finance, level of vehicle penetration, the demographic profile of the country, increasing in average annual income, huge investments being made by the government in

The infrastructure sector, positive government policies for development of automobile sector, etc. are some of such favorable factors responsible for rapid growth of this sector. It has been projected that the Indian auto component industry has the potential reach a turn over level of USD 66.4 billion by 2016 and USD 113 billion by 2020. This translates to a fourfold increase over a period of ten years.

One area of concern is the ever increasing trade deficit in auto components. During 2014-15 import of auto components was at USD 10 billion. It constitutes one third of the total auto components turnover of the country. Indian's net import of auto components was USD5 billion in 2014-15. This deficit has been on the increase since the past 4-5 years. Capacity constraints of domestic manufacturers, price competitiveness of the imported products, lack of design capabilities with domestic industry, are some of the reasons for the ever increasing imports of auto components in the country. As a significantly large portion of value addition and job creation is captured in auto component manufacturing, the increasing trend of import of auto components is not a desirable situation.

The focus of the government is to ensure inclusive and equitable growth. To achieve this goal large employment generation, especially from the rural and semi urban areas, would be necessitated. This large employment generation will need to come from the manufacturing sector. Therefore, one of the focus areas for the government is to spur manufacturing in the country so that this sector can contribute at least 25% to the national GDP from the present level of 14%. To achieve this target, the automotive industry which today contributes 22% of the manufacturing GDP, will need to play a major role. The government's effort would, therefore, be to meet the huge future market potential that exists in the auto component sector from indigenous industry and not through imports. Clearly, this is an area where the government would like to work more closely with the industry to reverse the trend. The impressive numbers for the possible future size of the Indian auto components industry represents high potential; however, huge challenges will need to be overcome if the Indian auto component industry is to realize this Potential. The automobile industry is expected to witness strong growth through 2020. As per the automotive Group for the 12th Five year plan, the growth expectations are as follows:

- Projection of passenger Vehicles as 5 million units in 2015 and by about 9 million units by 2020. This is essentially by growth in Indian market and expectations of India as global hub for export of small cars;
- The commercial Vehicles to touch volumes of over 1.4 million by 2015 and over 2.2 million units by 2020.
- Two and Three wheelers expected to double to 22 million units by 2015 and reach 30 million units by 2020.

In order to realize the 2020 vision, the Indian auto component industry will need to build and optimize their capacities, focus on continuous improvement. This will be possible by absorbing advance technologies, adopting latest manufacturing processes, building R&D competencies, including and promoting organization culture of innovation. Not only this, it will need to continually strive to improve quality, cost and delivery standards to global benchmarks. Further, as the industry move toward an era of shortened product life cycles and faster roll out of newer models and variants, it will be imperative for the Indian auto component industry to graduate from the present "build to design" capabilities to developing "product design, testing and validation" capabilities. Also availability of capital at reasonable cost, availability of skilled manpower, stable long term government policies, protection of the interests of the domestic auto industry in the various bilateral free trade negotiation are some of the most critical areas where government support is essential.

The automotive Industry in India shall continue to grow at a very fast pace in the foreseeable future. This confidence is based on strong sector fundamentals which include extremely low current levels of vehicle penetration in the country, projected high rate of GDP growth for the Indian Economy, huge investments being made by the Government in infrastructure along with a very large upwardly mobile middle class population with aspirations for better living standards. These factors will ensure that the demand for personal mobility in India will continue to remain very high. Recent studies project the size of the Indian passenger vehicle segment annually to be close to 9 million units and the two wheeler production to be close to 30 million units by 2020.

According to a report from United Nation Industrial Development Organization's (UNIDO) in 'International Yearbook of industrial Statistics 2008', India enjoys 12th Position amongst top 15 automakers in the world. India is at the 4th position amongst auto makers of developing countries. By 2016 the size of the Indian automobile industry is expected to grow by 13%, to reach a market of US\$ 120-159 billion. Presently, India is the 2nd largest two wheeler market in the world and fourth largest commercial vehicle market worldwide. With allies in a strong economy, rising demand and financial banking, Indian auto industry is standing at the threshold of success.

Finally to conclude the Indian automobile market seems to be the strongest growing market among all those automobile market present across the globe at present. The important factors for steady and rapid growth of automobile sector in India includes, Foreign Direct Investment (FDI) in Automobile Industry (to complement), purchasing power capacity, and Government support and auto-finance facility on liberal terms. However, Vision 2020 – requires more capital investment, increase in installed capacity, technology improvements, trained manpower, increase in international market share for export and increasing the organized sector (from the present unorganized) in ACMA (OEM's) with it's capacity to cater to the requirements of the automobile manufacturers in all segments. The challenges, if tackled well by the Government, the Indian Automobile Industry will achieve the said Amp 2016 and will be the third largest market by 2020 and will be the world's largest market by 2050.

CONCLUSION

Automobile industry plays a vital role in the fabric of Indian economy. This sector of industry has made a rapid & steady growth in India, particularly after 90s due to delicensing, favorable Government policy and whole hearted support of the Government, opening up of the automobile industries for 100% FDI, increase in purchasing power capacity of middle class and easy and cheap auto-finance facility.

REFERENCES

1. Automotive mission plan – 2016 – A mission for development of Indian Automotive Industry, Ministry of Heavy Industries and Public Enterprises, Government of India (2012).
2. Badri Narayanan G., Pankaj Vashisht, "Working Paper No. 201, "Determinants of Competitiveness of the Indian Auto Industry" January 2008 - Indian Council for research on International Economic Relations.
3. Data from SIAM India website [Society for Indian Automobile Manufactures] (2011,2012).
4. Indian Automobile Industry on a High Growth Trajectory, Press Information Bureau, Govt. of India, Dec. 19, 2011.
5. Eleventh Five Year plan 2007-12 released in August 2006 by working Group on automotive industry, Department of Heavy Industries, Ministry of Heavy Industries and Public Enterprises, Government of India, New Delhi (2011).
6. Report On Auto Industry A holistic Overview, PGDM (IB) 2009-11, www.scribd.com/Shakshigupta1610, "Secondary Analysis of Mid Segments Cars in India".
7. Public Relations, "Automobile Industry In India", June 23, 2011. FICCI Quarterly Survey of Indian Manufacturing Sector, Nov, 2012.