

SIAM

Society of Indian Automobile Manufacturers

Annual Report
2003 - 2004

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President's Message



Year 2003 -2004 saw Indian Automobile Industry reach new performance milestones: US \$ 1 Billion of Exports and One Million Passenger Vehicle Sales.

All vehicle segments recorded positive growth during the year. Passenger Vehicle sales registered a growth of 32.2%, at 1,030,068 units. Sales of Commercial Vehicles touched 277,572 units, up by 36.8% over the previous fiscal. Three Wheeler sales were up by 22.5% at 336,840 units, while Two Wheelers registered a growth of 12% at 5,629,682 units.

Several macro economic factors triggered this performance. The uptrend in the economy evident in a GDP growth of over 8%, was a major contributor. In addition, Excise duty reduction on passenger vehicles, public investment in infrastructure, softening interest rates, growing penetration of finance in rural and semi-urban areas and emergence of India as a manufacturing hub for the Automotive Industry were positives for the sector.

Free Trade Agreements

The past year saw Government of India take significant steps towards Regional Trade Agreements. An FTA (Free Trade Agreement) with Thailand was signed in October 2003. A Regional Trade Agreement (RTA) with ASEAN is also at an advanced stage.

Regional and bilateral trade arrangements have far reaching consequences. It is, therefore, important that both Industry and Government work in partnership to prevent adverse impact on industrial activity in India. We also need to ensure that inherent systemic disadvantages within the country are adequately addressed.

SIAM is of the view that each PTA/FTA/RTA needs to be evaluated separately. Reforms in the external sector should be done only with concomitant domestic reforms. Free Trade Agreements should be encouraged where they add value to the economy as a whole.

In some cases, we have said that the current tariff structure should be retained. Systemic deficiencies need to be removed through (i) Introduction of VAT, (ii) Labour law reforms, (iii) Reducing Capital and Transaction costs. Without that, the benefits of such Agreements may not accrue to India.

We have also identified certain Rules of Origin criteria to safeguard against third country trade.

To understand the implications and arrive at an India position, SIAM commissioned a study on ASEAN and MERCOSUR to gain a better insight into these markets. The findings of these studies have been presented to the Government.

Harmonisation of Technical Regulations

During the year, SIAM was also actively involved in deliberations in the area of harmonisation of technical regulations. India has been participating in the meetings of the World Forum for Harmonisation of Vehicle Regulations (UNECE-WP.29) as an Observer since October 2003.

It is a matter of great pride for the country that within a short span of time, we have been able to contribute substantially to the technical discussions. A decision on signing one or both the agreements is now awaited

Industry-Government Partnership

I would like to take this opportunity to place on record our sincere appreciation of the tremendous support given by the Government on several vital issues. There is continuous dialogue now. This approach has generated roadmaps for the future in the areas of emission and safety. We are now seeing a more orderly progression on tightening of emission norms and introduction of safety standards.

Another fine example of Government-Industry partnership has been the test facilities project. The Ministry of Heavy Industries and Public Enterprises (MoHI&PE) spearheaded the initiative of securing the approval from the Planning Commission and Ministry of Finance. Once this project is commissioned, the developmental, homologation and certification needs of the Industry, both in India and neighbouring markets, can be catered to by the new facilities. This is a key requirement of the automotive industry and a public-private partnership is a must to see its completion.

SIAM - MoHI&PE joint Auto Trade Dialogue is another example of this partnership.

Interaction with State Governments was an integral part

of our activities last year. This gave us an opportunity to learn about the unique requirements, concerns and situations prevalent in different States. I am happy to say that the computerised system for pollution check, spearheaded by SIAM in association with several State Transport Departments, is now operational in a number of cities.

Year 2003-2004 also saw SIAM forging closer links with neighbouring countries including Nepal, Indonesia and Vietnam. These countries have evinced interest in learning from the Indian experience with CNG.

Automotive Research

The need to provide sustainable mobility has given a fillip to the work on alternative fuels, alternative power plants and safe transport solutions.

There are bound to be tremendous business opportunities in frontier technologies. The Core Group on Automotive Research (CAR) is a focused effort of Government, Industry and Academia to identify technology streams that will propel India to the league of global auto leaders.

Embedded Control Systems, Telematics, Hydrogen, Advanced Materials, Road Safety, and Recyclability are the focus areas for CAR. SIAM is committed to working for the success of CAR.

To coordinate among various stakeholders working in the area of Hydrogen energy and integrate all efforts in the country towards a common goal, a National Hydrogen Energy Board, under the Chairmanship of Minister for Non-Conventional Energy Sources, has been formed with the consent of the Prime Minister.

This Board would lay down the National Hydrogen Road Map for India. For this, it will coordinate among various Government agencies, academic and research institu-

tions and Industry. It will also provide a common platform for deliberations on the subject.

SIAM proposes to chair the Panel on Hydrogen Application in the Transport Sector. The SIAM Expert Group on Hydrogen has set a goal of 1000 vehicles running on Hydrogen by year 2008.

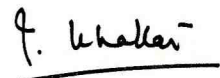
Way Forward

These are indeed challenging and exciting times. Customers in India now have local access to contemporary world class products. Sales and after sales infrastructure are also aligning with global practices.

The focus on indigenisation of products and processes has encouraged companies to set up world class manufacturing facilities based on state-of-the art technology.

There is a clear understanding of what needs to be done in order to improve quality and productivity to global standards.

This brings me to the theme for our Annual Convention 2004 - Automobile Industry: Advantage India. Can we chart an ambitious growth path? Can the automobile industry serve as the wheel that propels both India and Bharat to the centrestage of globalization? This is not an impossible dream. As an economy we have rid ourselves of the Hindu rate of growth. In recent decades, Industry had made significant strides. We can now dare to dream and to shape and command the future.



1st September 2004
New Delhi

Jagdish Khattar
President

About SIAM

Society of Indian Automobile Manufacturers (SIAM) is the apex Industry body representing 35 leading vehicle and vehicular engine manufacturers in India.

SIAM is an important channel of communication for the Automobile Industry with the Government, National and International organisations. Dissemination of information is an integral part of SIAM's activities, which it does through various publications, reports, seminars and conferences. It organizes the biennial Auto Expo series of trade fairs in co-operation with Confederation of Indian Industry (CII) and Automotive Component Manufacturers Association of India (ACMA).

The Society works closely with all the concerned stakeholders and actively participates in formulation of rules, regulations and policies related to the Automobile Industry.

SIAM provides a window to the Indian Automobile in-

dustry and aims to enhance exchanges and communication, expand economic, trade and technical cooperation between the Indian Automotive Industry and its international counterparts. With its regular and continuous interaction with international bodies and organizations it aims to facilitate upgradation of technical capabilities of the Indian Industry to match the best practices worldwide.

SIAM also interacts with worldwide experts to assess the global trends and developments shaping the Automotive Industry. It has been actively pursuing issues like Frontier Technologies viz. Telematics; Promotion of Alternative Fuels including Hydrogen Energy for automotive use and Harmonisation of Safety and Emission Standards etc.

SIAM endeavours to be a catalyst in the development of a stronger Automobile Industry in India.

SIAM Agenda - Initiatives & Events

Technical Agenda

Upgradation of Test Facilities in India

SIAM is playing a key role in taking the Project on Upgradation of Test Facilities towards implementation stage. High level officials of MoHI&PE, MoRT&H and SIAM held discussions with Planning Commission and Finance Ministry for approval of project and allocation of funds for its implementation.

As a result of these deliberations, the Planning Commission as well as Finance Ministry have approved the project in principle and MoHI&PE in close association with SIAM is currently working on finalising modalities for implementation of this project.

Core-Group on Automotive Research (CAR)

The Core-Group on Automotive R&D (CAR) was set up in the year 2003 by Dr. R. Chidambaram, Principal Scientific Adviser (PSA) to the Government.

CAR is co-chaired by

- **Prof S Mohan** of Indian Institute of Science and
- **Dr S M Shahed** of Garrett Honeywell , USA.
- **Membership** of leading technologists in automobile & component industry, leading academic institutions, industry associations including SIAM, ACMA and the Government.

Mandate for CAR

- To *create a user-friendly database of scientists*
- To *identify frontier technologies*
- *Develop* world-class automotive systems, sub-systems and parts industry with export thrust.

Subsequently, six Expert Panels were set up to focus on specific technology areas:

- a. Embedded (Control) Systems
- b. Telematics
- c. Hydrogen & Alternate Energy Technologies
- d. Advanced Materials
- e. Low-cost Safety
- f. Recyclability of Automotive Systems & Components

The expert panels report identified customer requirements and trends worldwide and in India and synergies between the technologies internationally and in India. The panels recommended R&D programmes to make Indian industry a world player in technology.

Accordingly a **Programme Advisory Committee (PAC)** has been set up and MoHI, DST, PSA's Office and SIAM as its members. This Committee will review the projects and recommend chosen projects funding by Government.

Expert Committee on Hydrogen Application

A high level Committee on hydrogen energy was formed by the Government of India under the Chairmanship of Mr N K Singh, Member, Planning Commission. SIAM has been actively involved in the activities of the Committee, including studying possibilities for hydrogen application in the transportation sector & development of hydrogen powered vehicles based on a consortium approach.

MNES programme for Hydrogen / Fuel Cell vehicles

MNES is promoting non-conventional technologies for automobile applications and has also invited SIAM to develop the hydrogen energy programme.

INITIATIVES & EVENTS - TECHNICAL AGENDA

To integrate efforts of various stakeholders towards a common goal, a National Hydrogen Energy Board, under the Chairmanship of the Minister for Non-conventional Energy Sources, has been formed with the approval of the Prime Minister.

This Board would lay down the National Hydrogen Roadmap for India, by coordinating efforts by among various Government agencies, academic and research institutions and Industry besides providing a platform for deliberations on the subject.

The Board has constituted a Steering Group under Mr Ratan N Tata, Chairman, Tata Sons and the Steering Group has constituted five Expert Groups to deliberate on:

- Hydrogen Production
- Storage
- Application in Transport Sector
- Application in Power sector
- Systems Integration

SIAM is heading the Expert Group on Hydrogen Application in the Transport Sector.

Fuel related Issues

SIAM Working Group on Fuels and Task Force on Auto-Oil Programme focused on various issues relating to fuel specifications, introduction of Ethanol & Bio-diesel blended fuels and fuel quality.

Oil Industry has invited SIAM to join the Indian Clean Air Programme (I-CAP) commissioned by Oil Companies aiming at Air Quality monitoring and Source Apportionment studies with respect to the transport sector in India, on a cost sharing basis.

In view of the rampant fuel adulteration and associated engine failures in various regions of the country, SIAM had several interactions with the Anti Adulteration Cell,

Ministry of Petroleum and Natural Gas to find a solution to this problem. Discussions are underway.

National Auto Fuel Policy

The Cabinet approved the National Auto Fuel policy in October 2003.

Broadly, the policy gives a Roadmap for progressively stringent vehicular emission norms upto 2010 and the corresponding fuel quality upgradation requirements. According to the policy, liquid fuels should remain main auto fuels throughout the country and the use of CNG/LPG be encouraged in cities affected by higher pollution levels so as to enable vehicle owners to have the choice of fuel / technology.

SIAM has contributed to the formulation of this Policy. The Policy takes note of SIAM's recommendations and initiatives with respect to road map for emission norms and improvement of emission performance of in-use vehicles.

International Conference and Exposition on Safe Transport Solutions: Regulations & Practices

SIAM in association with Transport Research & Injury Prevention Programme, (TRIPP) IIT, Delhi organized a two day International Conference on "Safe Transport Solutions: Regulations and Practices", on 4th & 5th November 2003, at New Delhi.



L to R: Mr Jagdish Khattar, Prof Dinesh Mohan, Mr Barry Sheerman and Hon'ble Minister, MoHI&PE, Mr Subodh Mohite.

The objective of the programme was to understand the international approach to "Safety Regulation" formulation and to initiate a multi-disciplinary approach involving all stakeholders, including the Government, Industry, Road Users, NGOs and Media for the prevention and control of road accidents.

The programme was inaugurated by Mr Subodh Mohite, the Hon'ble Union Minister for Heavy Industries & Public Enterprises. Mr Barry Sheerman, Member of Parliament & Chairman, Parliamentary Advisory Council for Transport Safety, House of Commons, UK was the Guest of Honour.

Experts from National Highway Traffic Safety Administration (USA), Insurance Institute for Highway Safety (USA), IDIADA (Spain), Volvo (Sweden), WABCO (Germany), Insurance Regulatory Authority of India, Transport Corporation of India, Indian Institute of Technology, Hazard Centre (India), NIMHANS (India), National Highway Authority of India, amongst other organizations presented their views at the Conference.

An Exposition was also organized concurrently with the Conference.

World Health Day

In Delhi, the observances on the occasion of World Health Day – 7th April 2004 commenced with a Children's Rally and marathon by 50 elite runners, led by a former Asian Marathon champion. The event was presided over by the Lt. Governor of Delhi.

A seminar on Road Safety was organized by the Ministry of Health & Family Welfare and WHO. Officials from Ministry of Health & Family Welfare, Ministry of Road Transport & Highways, Ministry of Posts, WHO, Delhi Government and SIAM participated in this conference.

Mr S Sandilya, Group Chairman, Eicher Group of Companies in his address gave a four point agenda includ-



Marathon during World Health Day, supported by SIAM.

ing the need for creating a "National Road Safety Board".

The 4 point agenda was as follows:

1. Road user practices
2. Priority for Vulnerable Road Users
3. Accident data Collection & Analysis
4. National Road Safety Agency

At a workshop organised by IIT Delhi, SIAM presented the recommendations emerging from the conference on Safe Transport Solutions, reiterating the need for a lead agency for road safety. This workshop also underlined the need for a National Road Safety Programme.

World Forum for Harmonisation of Vehicle Regulations (UNECE/ WP.29)

The Indian Automotive Industry is committed to integrating with the global economy and in pursuance of this, Government of India has joined UNECE / WP.29, as an "observer". SIAM and its member companies along with the Government representatives have participated in the deliberations of WP.29 and its subsidiary bodies.

SIAM has participated in 3 sessions of the WP.29 and a few meetings of the 6 subsidiary bodies (GRs). Documents prepared by the Indian delegation have been acknowledged and taken up for discussions as informal

INITIATIVES & EVENTS - TECHNICAL AGENDA

documents.

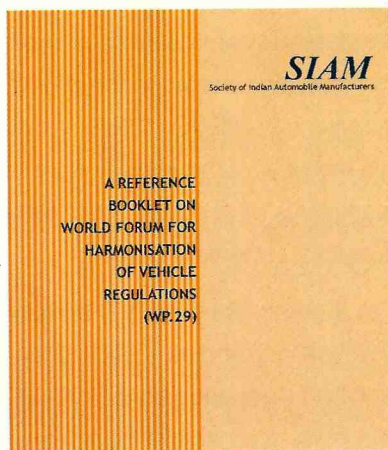
One issue on which India has been able to make significant impact is the World Motorcycle Testing Cycle (WMTC). WMTC has been under discussion by an Informal Group of the Subsidiary Group on Pollution and Energy (GRPE) for about 3 years now and considerable work has been done with regard to developing a World Motorcycle Testing Cycle which will be included in a Global Technical Regulation (GTR).

India had raised concern on the current draft of the World Motorcycle Testing Cycle (WMTC) which is being finalised by WP. 29. The WMTC in its current form does not reflect the driving conditions in India and other Asian countries.

During the recent WP. 29 meetings held from 22nd to 25th June 2004 at Geneva, India once again raised the issue and detailed deliberations on India's concern were held with all the participating countries. As Germany had sponsored development the WMTC, WP. 29 requested Germany to consider India's views and suggest further steps, as India is one of the major two-wheeler manufacturers.

WMTC group has agreed to consider India's viewpoint prior to discussions on the subject at the main WP. 29 meeting to be held in 16 - 19, November 2004

SIAM has urged the Government to take a decision on signing one or both the 1958 and 1998 Agreements at the earliest. SIAM has also brought out a reference booklet on World Forum for Harmonization of Vehicle Regulation (WP. 29) which was released in Geneva.



SIAM Task Force on Recycling

SIAM Task Force worked on Recycling and End of Life of Vehicles taking cognisance of existing regulations and experience world wide. It focused on the imperatives for the Indian automotive industry with increasing usage of recyclable products in the European markets.

During the deliberations of the Task Force it was felt that unlike the developed countries where the focus of recycling is on the four wheelers and not much work has been done in the area of recycling of two wheelers, India needs to develop a programme for two wheelers also. A base paper on recycling of Two/ Three Wheelers has been prepared.

Two sub groups have been set up to study and make recommendations on systems, regulations and process for recycling – one for two/three wheelers and one for four wheelers.

MoU between SIAM, ACMA & SAE

SIAM, ACMA and SAE India signed a MoU to work together with the support and guidance of SAE International in areas of mutual interest including organising Technical Workshops, Expositions and sharing of information.



Dr K Kumar (SIAM), Mr K V Shetty (ACMA), Mr Jack Thompson (SAE Intl.), Mr Jagdish Khattar (SIAM), Mr Ray Morris (SAE Intl.).

Economic Agenda

WTO Matters:

Market Access Proposal

SIAM had extensive deliberations last year on the WTO Non-Agriculture Market Access Proposal (NAMA) and the consensus views emerging from the meetings were:

- Indian automotive industry does not want zero duty for auto parts and components, as this would adversely impact domestic manufacturing (case in point – IT hardware industry).
- Passenger cars and two wheelers tariffs should be kept unbound as provided in the Negotiating Group on Market Access (NGMA) Chair's proposal, which has 5% Special & Differential provision for developing countries.
- Tariffs for commercial vehicles and components are already bound at 40%, hence tariffs not to go below 30%.

Automotive industry position was communicated to the Commerce Ministry and Ministry of Heavy Industries & Public Enterprise before the WTO Ministerial Conference at Cancun.

After the conference, Commerce Ministry officials informed that since there was no progress in Cancun, NGMA Chair's proposal still remains valid and will be considered as the base document for future discussions.

On July 8, 2004, the Negotiating Group on Market Access (NGMA) in WTO met to discuss Non Agricultural Market Access (NAMA) way forward. The Chairman of the NAMA negotiating group, Mr Stefan Johannesson, decided to submit the "Derbez text" that was floated at the Cancun meeting as a possible draft for the overall July framework package, which will set the terms for future WTO talks.

- The developed world feels it provides too much of flexibility to developing countries.
- The developing countries have opposed the sectoral element in the text. They may agree to a voluntary sectoral approach and not a compulsory sectoral approach.

Against this background, SIAM reiterated its stand that cars and two wheelers, which are already in the list of sensitive items of India, should be retained as such and not bound and commercial vehicles should also be included in the sensitive items list and they should be kept out of the formula. Also, that automobile components & parts should not be in the list of items for tariff elimination.

July 31, 2004 draft has incorporated a paragraph that all the elements in NAMA discussion will be negotiated and Derbez text will not be followed in toto.

Rules of Origin

Chairman, Committee on Rules of Origin of World Trade Organisation had offered a compromise solution on the subject where in automobiles have been clubbed with all other items of Chapter 84 to 90 of Harmonised System of Classification.

SIAM reiterated its position on value addition irrespective of whether or not Change in Tariff Heading (CTH) is implemented. Ministry of Heavy Industries & Public Enterprises has supported SIAM view on the matter during the discussions.

Preferential Trade Agreements / Free Trade Agreements:

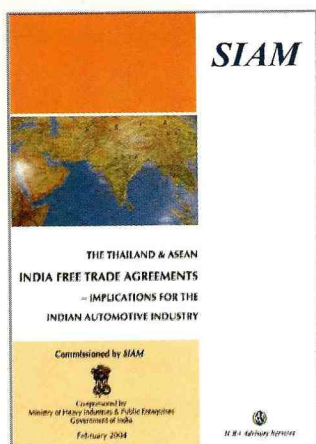
Status and SIAM Stand

Since the middle of last year SIAM has been interacting

INITIATIVES & EVENTS - ECONOMIC AGENDA

with Ministry of Heavy Industries & Public Enterprises and Ministry of Commerce & Industry discuss issues related to India's Regional Trading Agreements and Free Trade Agreements with different countries. SIAM position has been that there should be no dilution in tariffs or conditions of import for vehicles.

- India has signed an FTA (Free Trade Agreement) with Thailand in October 2003. Under the FTA, 84 items including some auto components covered in the Early Harvest Scheme will have zero custom duty when traded between India and Thailand; negotiations for tariff reduction/ elimination for other products to conclude by March 2005.
- The RTA (Regional Trade Agreement) between India and ASEAN is also in an advanced stage of discussion with the Framework Agreement already signed. SIAM had appointed ICRA Advisory Services to evaluate FTA with Thailand and ASEAN to analyse the impact on the Indian auto industry. SIAM Secretariat also joined the ICRA team during field visits. The study revealed that there is a manufacturing cost advantage that ASEAN enjoys vis-à-vis India. Also, there is a surplus component manufacturing capacity existing in ASEAN. The findings were presented to the concerned Ministries and SIAM position reiterated.
- Governments of India and Singapore have agreed to sign a Free Trade Agreement. The negotiations for FTA are going on. Singapore Government has submitted a list of items for early harvest scheme. Modalities to be finalised by October 2004. SIAM has put forward its position.



- Framework agreement with MERCOSUR (Argentina, Brazil, Paraguay and Uruguay) signed in June 2003. Preferential Trading Agreement signed in January 2004. Now negotiations are continuing on various agreements under PTA. Preliminary list of items for tariff preference has been exchanged.
- Bangkok Agreement was first signed in July 1975. China acceded in April 2000. The 3rd Round concluded recently. Revised text of agreement is to be signed in 2004. An outstanding issue is Rules of Origin. SIAM studies show China and Korea enjoy competitive advantage over India due to systemic deficiencies in India. SIAM has conveyed to the Government that auto should be in the sensitive sector and no concession should be extended to the two countries under this agreement.

At the request of MoHI&PE, SIAM had submitted a comparative statement of Indian Auto Policy & China Auto Policy to MoH&PE.

Auto Trade Dialogue

SIAM along with Ministry of Heavy Industries & Public Enterprises organized a two day Auto Trade Dialogue in New Delhi on 15th -16th January 2004. Experts and senior representatives of the industry and the Government from Indonesia, Japan, Malaysia, Philippines, Thailand and USA participated in the Dialogue. Mr Naresh Narad, Secretary, MoHI&PE; Mr N K Singh, Member, Planning Commission; Mr S N Menon, Special Secretary, Ministry of Commerce & Industry alongwith other senior Govt of India officials participated in the different sessions of the programme.

The Auto Trade Dialogue was aimed at evolving strategies for addressing the challenges facing the industry, developmental issues and trade linkages and building new partnerships.



L to R: Mr Venu Srinivasan, CMD, TVS Motor Co.; Mr Jagdish Khattar, President, SIAM; Mr Naresh Narad, Secretary, MoHI&PE; Mr N K Singh, Member, Planning Commission; Mr Prabir Sengupta, Director General, IIFT; Mr K V Shetty, President, ACMA.

Participants from the ASEAN region, Japan and the United States shared their experiences of increasing regional integration and the steps that the automobile industries in their respective countries have taken to adjust to this reality.

The message which came out clearly from the deliberations is that ASEAN integration is a reality and other countries wanting to join them would have to readjust themselves to take benefit of trade.

Some of the ASEAN economies are seriously looking at India for partnership and have offered all assistance to facilitate future activities including establishing manufacturing facilities in their countries.



Delegates at the Auto Trade Dialogue.

Special Project Mission from Malaysia

SIAM coordinated a Mission brought by Malaysian Industrial Development Authority (MIDA), a delegation of private sector manufacturers to India during April 26 – 30, 2004.

The main objective of this visit was to discuss and explore opportunities or strategic alliances between the Indian and Malaysian manufacturers for tapping the ASEAN market.

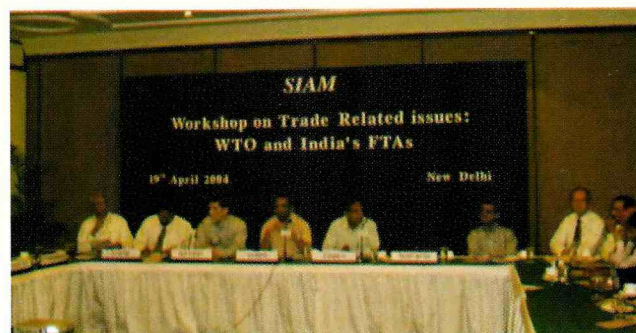
Workshop on Trade related Issues: WTO and India's FTAs

SIAM organised a workshop on Trade related Issues: WTO and India's FTAs.



SIAM members with Mr S V Bhawe, Joint Secretary, MoHI&PE during the workshop.

Presentations on Free Trade Agreements, Regional Trade Agreements, Non- Agricultural Market Access Negotiations in WTO, Rules of Origin were made by senior officials from the Ministry of Commerce & Industry. In the



INITIATIVES & EVENTS - ECONOMIC AGENDA

second phase of the workshop, industry views were presented to the Government officials.

Mr S V Bhawe, Joint Secretary, Ministry of Heavy Industries & Public Enterprises complimented SIAM on an informative workshop which marked a good beginning of Government-Industry partnership and hoped that it will help appreciate each other's position better in future.

Homologation Conditions relaxed for New Vehicle Import

DGFT during the year liberalised import norms for individual importers and EPCG licence holders like exporters and hotels for vehicles which cost FoB more than USD 40,000/-.

SIAM team led by President SIAM, met Commerce Minister and several senior Government officials and expressed reservation on dilution in the conditions of import.

Cascading Effect of Embedded Tax

SIAM made a presentation to DGFT last September on how different central and local taxes and duties get embedded in the manufacturing cost of vehicles for which no credit is available even for exports under the present system.

DGFT assured SIAM that they will use the findings of the study and are now working on ways by which they could incorporate these costs in their calculations while devising a new export incentive scheme.

Meeting on Investment in the Automotive Industry

A Task Force on Investment was set up by Ministry of Finance under the Chairmanship of Dr S Narayan, Economic Adviser to the Prime Minister of India to look into

the future investment opportunities in major sectors.

In the first meeting of the Task Force, SIAM team led by Mr S Sandilya, Treasurer, SIAM and Group Chairman & Chief Executive, Eicher Group, submitted that to attract further investment in the automotive sector, conducive environment would have to be built by removing systemic deficiencies and at the same time measures to expand markets - both domestic and exports, would have to be initiated.

SIAM Memorandum of Suggestions for Union Budget 2004-05

SIAM was invited by the Ministry of Finance to present its views and suggestions for Union Budget 2004-05. SIAM team led by President made a presentation to Ms Vineeta Rai, Revenue Secretary and other officials of Ministry of Finance.

Various SIAM suggestions have been accepted this year. Central Board of Excise & Customs, Ministry of Finance, Govt of India, had substantially modified several customs and excise duties on products of interest to automotive sector.

Changes in the basic customs duty on various items:

- Customs duty on part/components of automobiles has been reduced from 25% to 20%.
- The basic customs duty on steel products including flat rolled (HR/CR/Stainless Steel) had been reduced from 25% to 20%. Subsequently duties were further brought down by another 5% to 10%.
- Special Additional Duty (SAD) of Customs (4%) has been abolished.

However, contrary to SIAM's suggestion, customs duties on commercial vehicles were brought down to 20% from earlier 25%.



Members during Budget 2004 session.

The final Budget Proposals for 2004-05 saw another long pending demand being met when the benefit of 150% deduction under section 35(2AB) of Income Tax Act was extended to the Automobile Industry.

Tractors have been exempted from Excise Duty. Parts for captive use in the manufacture of tractors have also been exempted from Excise Duty.

The benefit of concessional excise duty of 16% on Ambulances is now available to all customers.

VAT is slated to be in place from April 2005.

Implementation of VAT

A team from SIAM led by President, SIAM met Mr Ramesh Chandra, Secretary, Empowered Committee of State Finance Ministers on 27th April 2004 to discuss the concerns of the automobile industry on the proposed VAT implementation.

Mr K K Swamy, Chairman, SIAM Taxation Committee informed Mr Chandra that on a careful study of various final/draft VAT Bills announced by the States, the automobile industry had identified a few areas of concern like definition and rate of tax on inputs, refund mechanism and treatment of existing incentives, RNR and transitional provisions, amongst others, which need to be addressed

before VAT is made operational. He further added that it is important to phase out CST with the introduction of VAT to create an efficient and growth promoting tax system.

President, SIAM emphasised that the Government needs to introduce VAT wholeheartedly and its introduction in a piece meal manner would not serve the purpose. It would be better to delay it and introduce in totality rather than introducing it in some States only.

Mr Chandra appreciated the concerns raised by the industry and informed SIAM that a dozen States are likely to introduce VAT from April 2005. He also emphasised



that there would be no revenue loss to the States on introduction of VAT and suggested that industry should raise its concern and sensitise State Finance Ministers and Members of Parliament to get the desired results.

Issues on Steel

Volatility of Steel Price

Steel is the most important basic raw material in vehicle industry. Steel used directly and through value added components contributes to around 65-70% of the weight of a car.

In order to discuss the problems arising out of recent volatility of steel prices and problems in supplies, SIAM and ACMA met the Indian Steel Alliance (ISA) on 15th March 2004 in New Delhi. Following has been agreed

upon:

- No exports of flat product would be made at the cost of local market.
- Less frequent increase in prices. Steel companies would accept quarterly, half yearly and yearly contracts (each contract would be company specific).
- Small scale steel buyers could aggregate demand to be catered to by steel companies
- Committee to be set up having representatives of SIAM, ACMA and ISA and the secretariat support would be provided by CII to review the steel situation on a monthly basis

A meeting to discuss issues such as volatility of forge and alloy steel prices and problems in supplies was also held in April 2004.

It was agreed in the meeting that a small committee will be set up of with representatives from SIAM, ACMA, TMA & ASPA to look at issues related to steel.

Import of steel

SIAM for long had been pursuing with the Government for removing the restrictions as was laid down in DGFT notification No. 44 for import of steel item so that import of steel becomes relatively easy. A team of SIAM members met Mr L Mansingh, Director General, DGFT on 22nd September 2003 and requested for his intervention in the issue.

DGFT vide its Notification no. 21/(RE-2003)/2002-07, Dated 28th October 2003 has issued a clarification that SI.Nos. 77 to 109 have been deleted from Appendix III to Schedule I (Imports) of ITC (HS) Classifications of Export and Import items.

As a result all steel items have now been removed from the list for which BIS registration by foreign supplier was mandatory.

Plant Quarantine Order

SIAM team met Mr Ashish Bahuguna, Joint Secretary, Ministry of Agriculture on 25th May 2004, to discuss some of the issues pertaining to new requirements to be met regarding Agri based packaging materials used in import consignments as outlined in Plant Quarantine Order 2003.

Subsequently, Ministry of Agriculture, vide Gazette notification dated 31st May 2004 have provided clarifications on the concerns raised by SIAM and the Plant Quarantine Order 2003 would come into force from 1st November 2004. The provisions for packaging materials have been withheld until further order.

Auto Expo 2004

15 – 20 January, 2004 : Pragati Maidan, New Delhi

Asia's largest automotive exhibition in terms of area, Auto Expo 2004 attracted a total of 8,00,000 visitors. There were 125,000 business visitors including 113,500 domestic visitors and 11,500 overseas visitors. 960 participating companies included 840 Indian and 120 overseas companies.

The expo showcased the capabilities of Indian Automotive Industry in the areas of environment, safety,



Auto Expo 2004.



Mr L K Advani, Deputy Prime Minister during the lamp lighting ceremony with Mr Subodh Bhargava Chairman, CII, Trade Fairs and Mr Jagdish Khattar, President, SIAM.

energy conservation, design, electronics and breakthrough technologies.

The participating companies received an order booking worth Rs. 225 crores and 117,887 numbers of trade enquiries.

Corporate Citizenship Agenda

Road Safety Initiatives

SAFE (an SIAM initiative) has undertaken several initiatives for Road Safety education of students, drivers and the public at large. Through Road Safety Awareness Programmes all the communities were apprised of traffic rules and tried to inculcate a correct and responsible attitude towards themselves and fellow road users.

Educational Trips for Students

School Children are an important channel for inculcating Road Safety habits and thereby make an immediate impact on reducing road accidents. School children were taken to manufacturing facilities to make them aware of their role in influencing a change in driving and road safety habits in adults. Plant visits included interactive sessions which enabled them appreciate the need for road safety. Trips were organised to Maruti Udyog Ltd, Hero Honda Motors Ltd and Tata Motors Ltd.



School students during a visit to the Hero Honda Motor Plant.

Training Programme for Drivers

SIAM continued with its innovative training concept for the development of Soft Skills of Drivers of Commercial Vehicles. The training focused on psychological aspects of the drivers in order to improve their performance and



Dr Vasantha R Patri conducting a Soft Skill training programme for drivers.

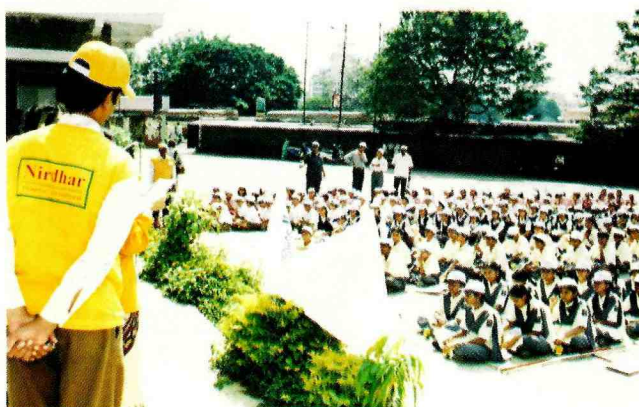
enable them to handle stress arising due to long working hours. Training was also provided on vehicle maintenance and traffic regulations by vehicle manufacturers and traffic police. Training Programmes were organised in Coimbatore and Kerala in the year 2003 -2004.

Road Safety Awareness programme

SIAM with active participation from the respective State Government Transport Departments, launched Road Safety awareness campaigns across the country.



Painting competition organised by SIAM - SAFE (an SIAM initiative) in association with Delhi Traffic Police.



The programmes comprised of seminars, exhibitions, training workshops, rallies, films, road shows and distribution of road safety literature. Other Institutes / Organisations working in the area of Road Safety, came together to share their knowledge with students and general public.



SIAM - SAFE organised a Two Wheeler safety awareness programme in association with Suraksha at Hosur.

SIAM supported the following road safety awareness programmes:

- Road Safety Awareness Programme at Delhi in association with Delhi Traffic Police
- Anti Pollution Rally at Pune in association with Nirdhar, a Pune based NGO
- Two Wheeler Safety Awareness Programme at Hosur in association with Suraksha, a Chennai based NGO
- Kolkata Auto Fair 2004



SIAM pavillion at Kolkata Auto Fair supported by MoHI&PE.

Alternative Energy Driven Vehicles

SIAM organised technical visits and a seminar on "Alternative Energy Driven Vehicles" with an objective of highlighting the initiatives taken in India for the development and implementation of Alternative Fuel Driven Vehicles, focusing on Gaseous fuels, such as Compressed Natural Gas (CNG), Liquefied Petroleum



Mr. S K Vikram, Tata Motors demonstrating CNG Kits to the delegates.

Gas (LPG) apart from Electric Energy Driven vehicles from 18th – 21st January 2004. The programme was organised in partnership with Ministry of Petroleum and Natural Gas (MoP&NG) and Transport Department, Government of NCT of Delhi with support from United States Agency for International Development (USAID) and ICICI Bank Limited, which was attended by delegates from several countries like Iran, Bangladesh, Japan, Sri Lanka, Indonesia.

Emission Control Programmes

During the year 2003-04 SIAM organised several Emission Control awareness programmes. SIAM organised a meeting of all stake holders to develop a strategic framework document on Air Quality Management under the aegis of CAI-Asia in partnership with MoEF and CPCB. On Vehicle Inspection SIAM participated in two training programmes at WBPCB in Kolkata.

SAFE (an SIAM initiative) Signs MoU with Vietnam Register



L to R: Mr T D Long; Mr N H Plan & Dr D H Duc of Vietnam Register, Mr Sumit Sharma of SIAM, Mr Sunil Chaturvedi, Director MoHI & Mr R Devarajan, Spl. Director; Ashok Leyland.

A memorandum of understanding between SAFE (an SIAM initiative) and Vietnam Register (counterpart of MoRT&H in Vietnam) was signed on 16th October 2003 at Hanoi for technical collaboration between India and Vietnam, and sharing of effective strategies for clean environment.

Strategic Framework on Air Quality Management (AQM) in the Asian Region

With SIAM support the Clean Air initiative for Asian Cities (CAI-Asia) had organised a meeting on Strategic Framework on Air Quality Management in the Asian Region in Delhi on 3rd November 2003. The Strategic Framework is a document on AQM in the Asian Region



L to R: Mr K K Gandhi, Dr Gary Haq, Dr G K Pandey & Dr Dietrich Schwela.

which aims to provide a regional approach to improving urban air quality by facilitating the setting of air quality priorities and providing direction on institutional development and capacity enhancement. The Framework describes the activities that should be implemented at national and local levels to create conditions to improve urban air quality.

Stakeholders from various sectors including MoEF and CPCB participated and submitted recommendations to CAI-Asia.

States Gujarat

SIAM team met the Transport Secretary, Transport Commissioner and Chairman, Gujarat Pollution Control Board to discuss the proposed action plan of the Government to reduce vehicular emission in Ahmedabad. The Government of Gujarat is keen to strengthen the emission checking system in Ahmedabad. SIAM offered to work closely with the Government of Gujarat and organise awareness programmes for computerising the emission checking process in Gujarat. The State Government has also proposed introduction of Alternative fuel driven buses and three-wheelers upon availability of appropriate fuel, restrictions in plying of diesel operated six seaters and augmentation of bus fleet through privatisation of bus operations on specific bus routes.

West Bengal

In order to combat the problem of vehicular pollution in Kolkata, the Hon'ble High Court in Kolkata vide its order dated 3rd April 2003 directed that all vehicles operating in the Kolkata Metropolitan Area should conform to Bharat Stage II emission norms within a year.

Pursuant to the court order, the Transport Department, Government of West Bengal constituted a '**Technical Committee on Control of Vehicular Pollution**' under the Chairmanship of Dr S K Sarkar, Member Secretary, West Bengal Pollution Control Board in January 2004. SIAM was a member of the Committee and contributed to the Report. The committee submitted its Report in February 2004.

Training Programme for West Bengal Pollution Control Board officials

In its order dated 30th March 2004, Kolkata High Court directed the Government of West Bengal to strictly enforce the in-use emission norms in the State of West Bengal. The West Bengal Pollution Control Board was given the responsibility of auditing and giving clearance for setting up of Automobile Emission Testing Centres in the State.

In order to create awareness on the various aspects of technology, emission and safety of vehicles, SIAM organised a training programme on "Automobile Technologies and Practices" for the Pollution Control Board officials on 30th April & 1st May 2004. Technical representatives from Maruti Udyog, Tata Motors, TVS Motor, Bajaj Auto and India Oil Corporation formed the faculty for the programme. A demonstration with support from AVL was also given to the trainees on the procedure for Emission checking of Diesel and Gasoline vehicles.

Andhra Pradesh

Pilot Project on Networking of Pollution Test Centres in Hyderabad

SIAM in partnership with Transport Department, Government of Andhra Pradesh has launched a Networking of Pollution Test Centres with support from United States Agency for International Development (USAID) and ICICI Bank.

The network was inaugurated by Mr C R Biswal, Transport Commissioner, Government of Andhra Pradesh at Regional Transport Authority, Khairatabad on 9th January 2004. On a pilot scale this system will hook up seven Pollution Test centres in Hyderabad and the data of each vehicle checked will be sent to the Transport Department daily through this network. This concept has been intro-



Mr C R Biswal, Transport Commissioner, Government of Andhra Pradesh planting a sapling during the inauguration of PUC networking programme.

duced for the first time in India and SIAM is keen to share this experience with other States. This system will enable access to the emission data of any vehicle plying in the city and would encourage better maintenance practice among vehicle owners. The collation and analysis of data will assist the Transport departments and other policy makers to improve the enforcement and credibility of the pollution checking system. Once all the centres in Hyderabad are connected it will be possible to analyse the emission performance of different categories of in use vehicles plying in the city.

INITIATIVES & EVENTS - CORPORATE CITIZENSHIP AGENDA

SIAM-SAFE Events from September 2003 – August 2004

I & M Camps

No.	Date	Category	Place
1.	14 – 16 April 2004	Free CPUC at 3 ISBT's at New Delhi	New Delhi

Educational Trips

No	Date	Plant	Place
1.	10 October 2003	Maruti Udyog Ltd	Gurgaon
2.	29 October 2003	Hero Honda Motors Ltd	Gurgaon
3.	12 December 2003	Hero Honda Motors Ltd	Gurgaon
4.	18 January 2004	Tata Motors Ltd	Pune
5.	23 April 2004	Maruti Udyog Ltd	Gurgaon
6.	16 April 2004	Maruti Udyog Ltd	Gurgaon

Computerised PUC Programmes

No.	Date	Programme	Place
1.	12 September 2003	Inauguration of Model Diesel & Petrol Computerised Emission Checking System at Vehicle Fitness Checking Centre, Burari	Delhi
2.	27 March 2004	Demonstration of Model Computerised Emission Checking System	Jaipur

Soft Skills Development Programmes & other Driver Training Programme

No.	Date	Programme	Place
1	26 – 27 Sep 2003	Training Programme for MTC Drivers	Chennai
2	17 – 18 Oct 2003	Training Programme for MTC Drivers	Chennai
3	21– 22 Nov 2003	Training Programme for MTC Drivers	Chennai
4	26 – 27 Dec 2003	Training Programme for MTC Drivers	Chennai
5	29 – 30 Dec 2003	Training Programme for MTC Drivers	Chennai
6	27 – 28 Feb 2004	Workshop on Soft Skill Development for KSRTC drivers	Kerala
7	21 – 21 June 2004	Driver Training Programme	Coimbatore
8	23 – 24 June 2004	Driver Training Programme	Coimbatore
9	6 – 8 July 2004	Workshop on Soft Skill Development for KSRTC drivers	Ernakulam, Kerala
10	9 –10 July 2004	Workshop on Soft Skill Development for KSRTC drivers	Kozhikode, Kerala

Workshop / Seminars

No.	Date	Programme	Place
1.	21 Nov 2003	Workshop on Emission Checking by WBPCB	Kolkata
2.	19 Feb 2004	Workshop on Safety & Emission Management of Vehicles	Nepal
3	20 Feb 2004	Workshop on Cleaner & Safer Vehicles focus on : Alternative Fuel	Nepal
4.	26 March 2004	Round Table on Inspection & Certification System in Delhi	New Delhi
5	7 April 2004	SIAM Participation at Road Safety Seminar organized by Ministry of Health, World Health Organisation, Ministry of Road Transport & Highways and Ministry of Post	New Delhi
6	30 April – 1 May 2004	Training of WBPCB officials on Vehicular Technology	Kolkata
7.	6 – 7 August 2004	Workshop on Vehicular Pollution Control and Road Safety	Simla

Road Safety Awareness Programmes

No.	Date	Programme	Place
1	2 October 2003	Anti Pollution Rally by School Students	Pune
2	15 Oct – 31 Dec 2003	Safety Awareness Campaign at Hosur for Two Wheeler Riders	Hosur
3	15 November 2003	Road Safety Rolling Trophy given to the Best School for promoting road safety awareness during Road Safety Awareness Programme organized by Delhi Traffic Police	New Delhi
4	17, 19 & 24 Nov 2003	Painting Competition for School Children	New Delhi
5	18 – 22 Feb 2004	Participation at 3 rd NADA Auto Show	Kathmandu, Nepal
	22 Feb – 3 March 04	Participation at Kolkata Auto Fair	Kolkata
6	7 April 2004	World Health Day – Road Safety Day – Distribution of Caps & Reflective Stickers	New Delhi

Interaction with Central and State Government on Automobile Industry Related Issues

September 2003 – August 2004

Interaction with Central Government on Automobile Industry Related Issues

Interactions with	Issue
Finance Minister	Pre Budget – 04-05
Ministry of Finance – Revenue Secretary	Pre Budget Memorandum
Steel Minister	National Steel Consumer Council Meeting
Ministry of Steel – Joint Secretary	Steel Policy
Union Minister, MoP&NG	Reference Mass for Emission Testing of Three Wheelers
Planning Commission - Secretary & Member	Upgradation of Test Facilities
Planning Commission	Test Facilities Presentation
Economic Advisor to PM	To discuss investment in auto sector
Ministry of Heavy Industries & Public Enterprises – Secretary	Conditions of Import – Vehicles, Trade Dialogue, Test Facilities Presentation & Inter Ministerial Committee
Ministry of Heavy Industries - Director	Test Facilities, MERCOSUR PTA
Ministry of Road Transport and Highways	BS-III notification , GWV as reference mass for 3 wheelers, Institutional Structure for Road Safety & IT in the Transport Sector
National Road Safety Council	Road Safety
Ministry of Non-conventional Energy Sources - Senior Advisor	Input for National Hydrogen Energy Board, Programme for Alternative Energy Driven Vehicles & Hydrogen Vehicle Demonstration
Environment Pollution (Prevention & Control Authority)	Introduction of CNG good vehicles in Delhi
Director General of Foreign Trade	Conditions of Import – Vehicles, Condition of Steel Import Notification 44, DEPB & Presentation on Cascading Effect of Embedded Tax by ICRA
Ministry of Commerce –Secretary	To discuss steel , MERCOSUR PTA and FTA
Ministry of Commerce – Joint Secretary & Director	SIAM views on FTA's, Singapore FTA, Trade Dialogue, MERCOSUR List & Proposal for supporting SIAM activities
Ministry of Commerce- Special Secretary	Discuss ATPC initiative on NTBs
Ministry of Commerce - OSD	WTO Issues
Department of Industry Policy & Promotion (DIPP) – Secretary	US Proposal on NAMA (WTO) initiative, Indian Investment abroad
Department of Industry Policy & Promotion (DIPP) Joint Secretary	Government support for activities, Meeting on Industry Infrastructure upgradation scheme

INITIATIVES & EVENTS - INTERACTION WITH STATE AND CENTRAL GOVERNMENT

Empowered Committee on VAT - Secretary	Discussion on VAT
National Informatics Centre (NIC) – Dy Director	IT initiative in Transport Sector
Ministry of Agriculture – Joint Secretary	Plant Quarantine order
Ministry of Health & Family Welfare	World Health Day
Ministry of Petroleum & Natural Gas (MoP&NG) - Joint Secretary	Availability of Reference CNG and LPG
Ministry of Environment & Forests- Joint Secretary	Organising BAQ 2004
Central Pollution Control Board (CPCB)	GWV issue – Testing of Three Wheeler using GWV as Reference Mass & BS-III notification for Four Wheeled Vehicles & Organising BAQ 2004

Interaction with State Governments on Automobile Industry Related Issues

Interactions with	Issue
Uttar Pradesh- Chief Minister	Road Safety Issues
Uttar Pradesh- MD SRTC	In-use vehicle management & safety
Uttanchal – Transport Department	Integrated approach to pollution control & introduction of LPG in three wheelers
Madhya Pradesh - Transport Commissioner and Transport Department at Indore	Awareness on Computerised PUC and issues arising out of orders of Hon'ble High Court of Madhya Pradesh bench at Indore
Himachal Pradesh - Transport Minister and other senior Government officials	Workshop on Vehicular Pollution Control and Road Safety
West Bengal- WBPCB	Training on Vehicle Technology
West Bengal - Member Secretary, WBPCB	Training on Emission Checking Process
West Bengal - Principal Secretary- Transport	Implementation of Kolkata High Court matter
NCT of Delhi - Transport Department	Introduction of electronic speed limiting device & Registration of MUV's for Private use
NCT of Delhi – Chief Minister & Transport Minister	Diesel Vehicle Tax
Gujarat - Secretary (Transport)	Integrated Approach (CPUC) & Ban on Diesel Three Wheelers
Gujarat- Chairman, Gujarat Pollution Control Board	Ban on Diesel Three Wheelers
Andhra Pradesh - Transport Commissioner	Networking of CPUC
Kerala - Transport Commissioner & Principal Secretary- Transport	Driver Training Programme

International Visits and Delegations

SIAM delegation to Jakarta (Indonesia) and Hanoi (Vietnam)

SIAM mounted a delegation comprising of representatives from CNG vehicle manufacturers in India to Jakarta and Hanoi to share the CNG experience. The objective of the delegation was to promote Indian CNG vehicles. The delegation met fleet owners and Government officials in both the countries.



SIAM delegation in Jakarta.

SIAM in association with MEB – Mitra Emisi Berish, Indonesia and US-AEP organised a workshop on “Political Commitment and Technical Solution to Combat Air Pollution” with a focus on CNG experience in Jakarta on 15th September 2003. A similar workshop was organised in Hanoi in association with the Vietnam Register on 18th September 2003.



SIAM delegation in Hanoi.

FAMI Meeting at Bali, Indonesia

SIAM participated in the Federation of Asian Motorcycle Industry (FAMI) meetings held in Bali, Indonesia from 15th September 2003 to 18th September 2003 and Hanoi, Vietnam from 2nd to 5th March 2004. The meetings discussed issues relating to harmonisation of regulations in the Asian region, harmonization of the statistical information sharing format among the FAMI members, public awareness building programmes, emission regulations, noise regulations, safety regulations, Deterioration Factor, Durability, Fuel economy regulations and Alternative energy driven 2 wheelers.



Mr M N Muralikrishna alongwith Mr H Nakamura, Secretary General, FAMI at Bali, Indonesia.

One of the major issues raised by SIAM during the meetings was the World Motorcycle Testing Cycle (WMTC) which is being finalised to be included in the Global Technical Regulation (GTR) under 1998 Agreement administered by WP.29.

Asian Regulations & Certification Experts Meeting

A meeting of Asian Regulations & Certification Experts (RACE) was organised by Japanese Automobile Manufacturers Association (JAMA) on 14th October 2003 at Hanoi. SIAM along with representatives of Associations

of Automobile Industry of various other Asian countries participated in this meeting which focused on the status of harmonisation of regulations in each Asian country and the issues / concerns of industry with respect to harmonisation.

8th JASIC Asia Government Meeting

15th - 17th October 2003, Hanoi, Vietnam

The 8th JASIC Asia Government Industry meeting was held on 15th – 17th October 2003 in Hanoi. The meeting was attended by Government and Industry representatives from Asian countries. India was represented by Director, MoHI&PE along with SIAM officials. The discussion in the meeting focused on



Mr Sunil Chaturvedi (MoHI&PE) alongwith Mr R Devarajan (SIAM) at the JASIC meeting in Hanoi.

harmonisation of regulations in the Asian region. An Asia Forum comprising of Asian countries that have joined WP. 29 as regular member or observer was constituted to ensure consensus view of Asian countries on matters being discussed in WP. 29.

BAQ 2003 from December 16- 18, 2003

Organised by CAI - Asia from 16 - 18 December 2003 at in Manila, Philippines. The workshop was attended by more than 600 delegates from 35 nations and all



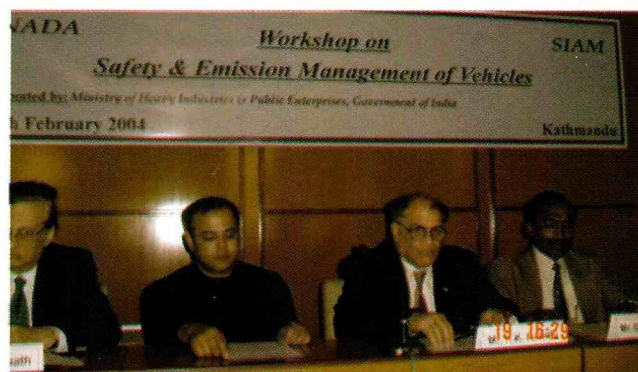
SIAM participation at BAQ 2003 at Manila, the Philippines.

continents. Approximately 300 participants from the Asian countries, 150 from outside Asia, and about 150 from India. This is a platform where delegates exchange information and experience of the measures taken in their respective countries to improve the Air Quality.

At BAQ 2003 it was also announced that BAQ 2004 would be held in India.

Workshop on Safety & Emission Management of vehicles on Feb 19, 2004 & Workshop on Cleaner & Safer Vehicle : Focus on : Alternative Fuels on Feb 20, 2004 at Kathmandu, Nepal

Nepal Automotive Dealer's Association (NADA) & SIAM jointly organised two half a day workshops to highlight the progression in emission regulations in India, in-use vehicle emission management, harmonization process,



R to L: Mr G K Acharya, IOC R&D alongwith Mr K K Gandhi, SIAM at the workshop in Kathmandu organised by NADA.

INITIATIVES & EVENTS - INTERNATIONAL VISITS AND DELEGATIONS

and use of alternative fuels. These workshops were organized as a part of the auto show which helped the participants to understand the need for a holistic view for improving the air quality in the major cities in Nepal.

The Workshops provided a forum for exchange of views between experts from India and Nepal. It was attended by senior officials of Government of Nepal from Transport, Oil and Environment sectors besides the Nepalese industry.

SIAM- SAFE (an SIAM initiative) also participated in the 3rd NADA Auto Show 2004 held at Birendra International Convention Centre, Kathmandu from 18th-22nd February 2004 and displayed the initiatives taken by Indian Automobile Industry in the area environment and safety.

SIAM Participation in the UNECE WP. 29 meeting at Geneva



L to R: Mr T C Gopalan, TMA; Mr Sunil Chaturvedi, MoHI&PE; Mr Alok Rawat, MoRT&H; Mr Rajeev Mandke, ACMA, Mr Rajat Nandi, SIAM.

SIAM participated in the 131st & 133rd session of UNECE main meeting in Geneva during November 2003 & June 2004.

SIAM Participation at the CITA Conference

International Motor Vehicle Inspection Committee (CITA) organised its annual conference in Dublin with participation from over 250 delegates from 38 countries. Since

several initiatives are being taken to implement a systematic Inspection and Certification programme in India, SIAM was invited to present a paper on the present status of emission control and road-worthiness check in India. The Conference discussed issues of major strategic importance to the future of mandatory vehicle inspection and provided the opportunity for exchange of information among countries on the various processes being followed for inspection of vehicles.

Joint Government-Industry Delegation to leading Test Facilities in USA and Europe from 1-14 March 2004

The delegation was led by Secretary, MoHI&PE and consisted of the following members from:

Chairman, CMVR, TSC & Director ARAI
Chairman, SIAM, Task Force on Test Facilities

The delegation also comprised of the following representatives of Industry Associations :

President, SIAM & MD, Maruti Udyog
President (Brakes Div.) Sundaram Clayton Ltd (representative ACMA)
Chairman, Technical Committee, TMA
Executive Director (Tech), SIAM



L to R: Mr Pankaj B. Trivedi of Dalal Mott Mac Donald; Mr Terry Spall; Mr Graham Townsend of MIRA, Mr K K Gandhi, SIAM; Dr K Kumar, Chairman, SIAM Task Force on Test Facilities; Mr Naresh Narad, Secretary, MoHI&PE; Mr Rodney Bell of MIRA; Mr Jagdish Khattar, President, SIAM; Mr B Bhanot, Director, ARAI; Mr C N Prasad, President, Brakes India Ltd & Mr T C Gopalan, Chairman, Technical Committee, TMA.

The objective :

- To study the facilities available at Automotive Test Facilities worldwide with emphasis on any special development centre or testing infrastructure that may be available in the Centre.
- To study the process for sustaining the Centres
- Understand the management structure in these facilities
- To evaluate the capability of the leading test centres

The delegation visited : NHTSA-USA, DEKRA- Germany, MIRA- UK and IDIADA- Spain.

A detailed report of the tour was also prepared focusing on the steps to be taken for implementation of the project.

Participation in Global Automotive Industry Dialogue

SIAM participated in the "Global Auto Industry Dialogue" during June 3-4, 2004 in Geneva, which was first held in March 2003 and now is a forum for informal consultations on WTO issues between six countries – Brazil, Canada, European Union, India, Japan and the United States.

The discussions have mainly focused on the non-tariff barriers that impact market access for automobiles. Some countries like Japan, EU and US have been very keen to discuss the tariff issue too at the meetings. However, India and Brazil have not agreed to common understanding on the issue of tariffs.

India and Brazil have maintained that NTBs is the only area where there is no divide between the North and South countries and a common agenda could be worked out.

It was felt that the way ahead will be for the countries to push their respective Governments to include all NTBs faced by the domestic industry when they notify the WTO on NTBs.

APEC Automotive Dialogue Steering Committee Meeting

The 11th Steering Committee Meeting (SCM) of the APEC Automotive Dialogue was held in Hanoi, Vietnam from 8th – 9th October 2003. The SCM was attended by 85 public and private sector representatives from Australia, China, Indonesia, Japan, Korea, Malaysia, Philippines, Chinese Taipei, Thailand, USA, and Vietnam. SIAM attended the meeting as an invitee.



SIAM Delegation at APEC Automotive Dialogue at Hanoi.

Several issues important to Indian automotive industry were discussed, which included the following:

- US initiative on WTO Vertical (Sectoral) negotiation;
- Automotive Technical Regulations/Certification Requirements;
- Customs Practices and Procedures;



L to R: Mr Dilip Chenoy, Mr Ketan Doshi and Mr A S Puri at APEC Automotive Dialogue in Beijing, China.

INITIATIVES & EVENTS - INTERNATIONAL VISITS AND DELEGATIONS

- Investment Requirements and Restrictions; and
- Intellectual Property Rights.
- Road Transport Harmonization Project (RTHP)
- ASEAN Cooperative Arrangement for Automotive Technical Regulations (ACAATR)
- Customs Best Practices and APEC Customs-Business Dialogue.
- Rules of origin under FTA – study of major existing rules of origin regimes in ASEAN.
- Future Automotive Technology & Motor Fuel for Advance Low Emission Vehicles
- Restrictions on imports of used vehicles

- ASEAN Automotive Integration

SIAM team comprising of Tata Motors, Mahindra & Mahindra and Eicher participated in the 6th APEC Automotive Dialogue in Beijing from 9-12 June 2004 as invitee. The Dialogue was attended by senior Government officials and Industry representatives from Australia, China, Indonesia, Japan, Korea, Malaysia, Mexico, Philippines, Singapore, Taipei, Thailand and USA.

Chairman, APEC Automotive Dialogue reported to the Dialogue members that SIAM has been granted "Guest Status" in APEC Automotive Dialogue for a period of two years. (upto 2006)

During the Dialogue, China made presentations on the current status of their auto industry

Overview of Performance

Automobile Industry Performance During 2003 – 04

During the year 2003-04 the automobile industry showed encouraging results for all the segments and registered a growth of 16.5 per cent in number terms and 24 per cent in value terms.

Now India has entered the elite club of countries with one million plus passenger vehicles. The sales number (including exports) stood at 1.03 million. Overall automobile industry export growth in 2003-04 has been 56% over last year. In value terms exports have crossed USD 1 billion. This is for the first time that exports have crossed the USD 1 billion mark. The results are attributable to the following:

- Good performance of the economy – higher all round growth leading to high GDP growth of 8%
- Excise duty reduction on passenger vehicles
- Brisk activities on infrastructural development
- Softening of interest rates and improved financing of second hand vehicles
- Availability of finance in rural and semi-urban areas
- Emergence of India as a manufacturing hub for the Automotive Industry

Segment-wise Performance

Passenger Vehicles

The excise duty reduction on passenger vehicles announced in the Union Budget 2003-04 impacted the sales of passenger vehicles positively, as it reduced the acquisition cost to the customer. The cumulative passenger vehicle sales in the domestic market in April-March 2003-04 have grown by over 27% over the same

period last year. However, it needs to be noted that this is against relatively low negative growth rates in the previous years.

Within the passenger vehicle segment, while passenger cars and utility vehicles have grown at a brisk pace of 28.6% and 27.6% respectively, MPVs have grown at a lower rate of around 14.4%. However, the growth of MPVs this year is significant as it was (-)15.7% in the last year.

Commercial Vehicles

The performance of the commercial vehicle segment during the course of the year was positive. It clocked over 30% growth rate in two consecutive years. The growth rate of all commercial vehicles during the year 2003-04 grew by 36.5%, M&HCV segment grew by 39.5% and LCVs grew by 32%.

With improved economic performance especially in the agricultural sector besides expansion of the national highways and expressways, we also witnessed fleet rationalisation in the country. This led to increased penetration of multi-axle vehicles on our roads. During the year 1998-99 sale of Multi axle vehicles was 4539. Whereas, in the year 2003-04, 59251 multi-axle vehicles were sold. In percentage terms this segment witnessed an increase of 67% per annum over a five year period. The share of multi-axle vehicles during the same period has gone up from hardly 5% to around 40%.

Two Wheelers

The two wheeler segment as a whole during the period April-March 2003-04 clocked a growth of 11.5%. This is less than the previous years but on a large base of 4.8 million vehicles. However, with Government's initiative

OVERVIEW OF PERFORMANCE

on rural roads and better connectivity with major towns and cities, the two wheeler industry is optimistic of better performance in the year 2004-05. Moreover, with improved agricultural performance, the purchasing power in the hands of rural customers will go up and positively impact two wheeler sales. With changing consumption pattern in sub-urban & rural areas from food to non-food items (down to 40% compared to 88% twenty years back), it is hoped that we will have reasonable growth in two wheeler segment in future also.

Exports

The performance of the automobile industry in exports was also encouraging. Passenger vehicle exports have crossed the hundred thousand mark and clocked sales of around 1,30,000 and two & three wheelers have crossed three hundred thousand mark for the first time clocking around 3,33,000. Commercial vehicle exports have also increased to an all time high of over 17,000. In percentage terms the growth during the year over the previous year have been almost 80% for passenger vehicles, over 47% and 57% for two & three wheelers respectively and over 40% for commercial vehicles.

During April-June 2004

During April-June 2004, the industry recorded a growth of 13%. The current trend continues to be positive, signifying further recovery in the coming months.

Sales of Passenger Vehicles comprising of Passenger Cars, Utility Vehicles and Multipurpose Vehicles registered a growth of 21%. The Commercial Vehicle segment has performed well with a growth of 43% in April-June this year when compared to the corresponding period of the last fiscal.

Acceleration in infrastructure activity including the Golden

Quadrilateral, fleet rationalisation and improved availability of easy finance have contributed to a 60% growth in the Goods M&HCV sales. Light Commercial Vehicles segment performed well with a growth of 36%, Passenger and Goods Carrier grew by 18.6% and 42% respectively

Two-Wheelers have registered a growth of 10.43% during April-June 2004. Within the Two-Wheeler segment, the Scooters sub-segment has recorded a growth of 12%, Motorcycles with 10.28% and Mopeds recording a growth of more than 8% during April-June 2004.

Three-wheelers have shown a growth of 29% in April - June 2004 compared to the same period last year.

Exports have been in the positive territory with Passenger Vehicles, Commercial Vehicles, Three-Wheelers and Two-Wheelers registering positive growth rates ranging between 8% and 103%. In overall terms, exports grew by 38% in April-June 2004 compared to the same period last year.

Outlook for 2004-05

Automobile Industry outlook for the remaining period of 2004-05 is positive. It is estimated that we should have a healthy growth of sales including exports. Segment wise growth expectations are:

- Passenger vehicles : 10 – 15%
- Commercial vehicles : 12 – 15%
- Two wheelers : 10 – 15%
- Three wheelers : 10 – 15%

The Passenger vehicle manufacturers would be able to cross a domestic sale of one million vehicles during the year excluding exports. With current penetration level of six cars per thousand people, the potential for growth is significant.

Automobile Production Trends

(In Numbers)

CATEGORY	1999-00	2000-01	2001-02	2002-03	2003-04
M & HCVs	112311	87784	96752	120502	166102
LCVs	61213	68922	65756	83195	109122
Total CVs	173524	156706	162508	203697	275224
Passenger Cars	577347	513415	500301	557410	781764
UVs	124308	127519	105667	114479	146103
MPVs	-	-	63751	51441	60673
Total Passenger Vehicles	701655	640934	669719	723330	988540
Scooters / Scooterettee	1259423	879759	937506	848434	935319
Motorcycles / Step Through	1794078	2183785	2906323	3876175	4355137
Mopeds	724510	694974	427498	351612	334494
Total Two Wheelers	3778011	3758518	4271327	5076221	5624950
Three Wheelers	190259	203234	212748	276719	340729
Grand Total	4843449	4759392	5316302	6279967	7229443

Automobile Domestic Sales Trends

(In Numbers)

CATEGORY	1999-00	2000-01	2001-02	2002-03	2003-04
M & HCVs	106261	81960	89999	115711	161414
LCVs	55350	54625	56672	74971	98931
Total CVs	161611	136585	146671	190682	260345
Passenger Cars	615318	567728	509088	541491	696207
UVs	118323	122832	104253	113620	144981
MPVs	-	-	61775	52087	59564
Total Passenger Vehicles	733641	690560	675116	707198	900752
Scooters / Scooterettee	1233781	876224	908268	825648	885038
Motorcycles / Step Through	1761439	2114693	2887194	3647493	4170459
Mopeds	698321	643461	408263	338985	309516
Total Two Wheelers	3693541	3634378	4203725	4812126	5365013
Three Wheelers	172135	181899	200276	231529	268702
Grand Total	4760928	4643422	5225788	5941535	6794812

Automobile Exports Sales Trends

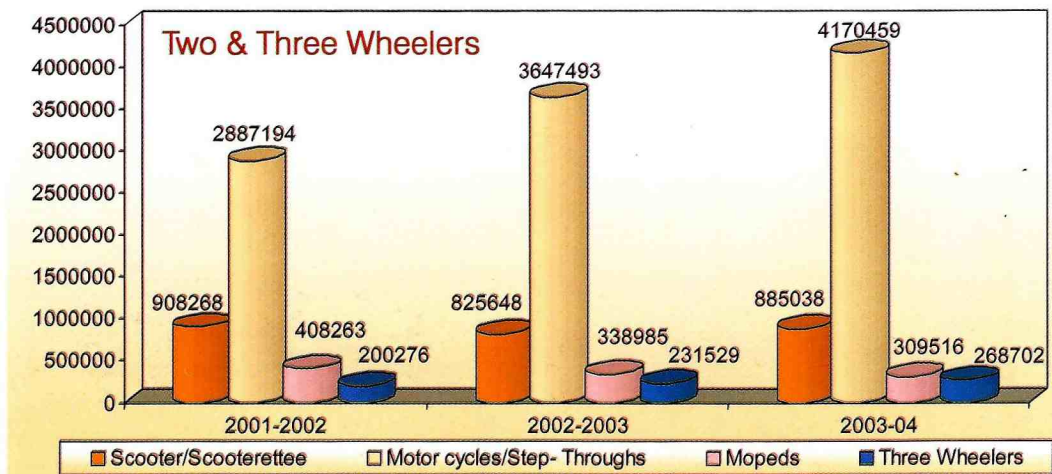
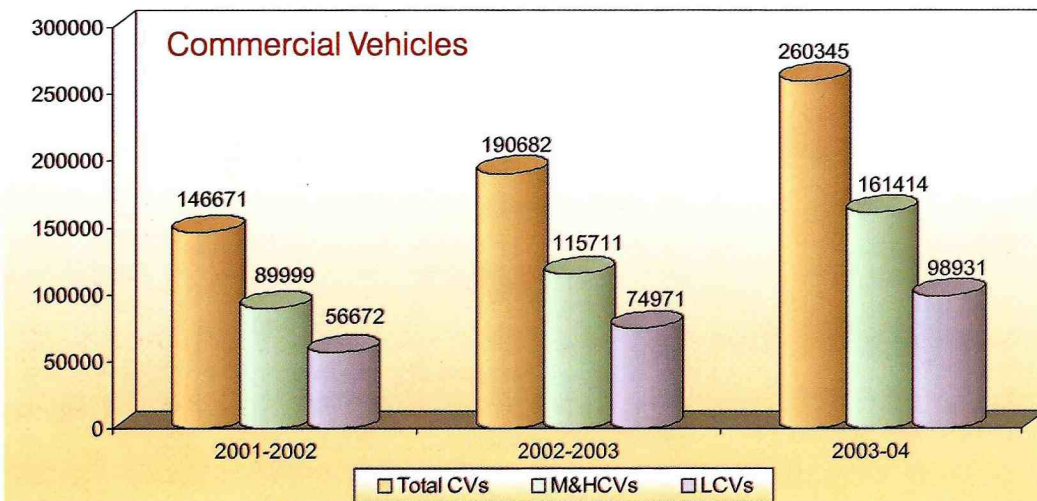
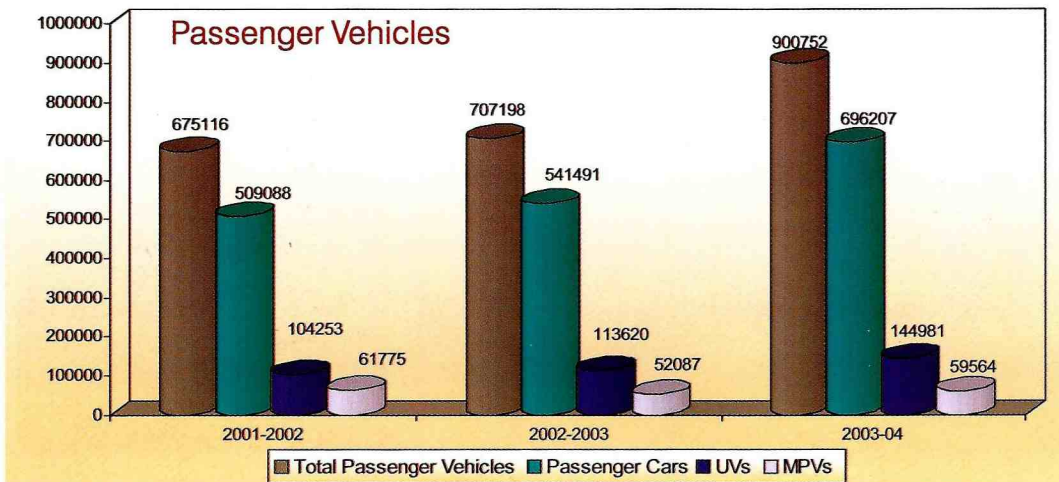
(In Numbers)

CATEGORY	1999-00	2000-01	2001-02	2002-03	2003-04
M & HCVs	5089	5510	4824	5638	8112
LCVs	4823	8260	7046	6617	9115
TOTAL CVs	9912	13770	11870	12255	17227
Passenger Cars	23272	22990	49273	70263	125327
UVs	5148	4122	3077	1177	3067
MPVs	-	-	815	565	922
Total Passenger Vehicles	28420	27112	53165	72005	129316
Scooters / Scooterettee	20188	25625	28332	32566	53148
Motorcycles / Step Through	35295	41339	56880	123725	187287
Mopeds	27754	44174	18971	23391	24234
Total Two Wheelers	83237	111138	104183	179682	264669
Three Wheelers	17725	16263	15462	43366	68138
Grand Total	139294	168283	184680	307308	479350

OVERVIEW OF PERFORMANCE

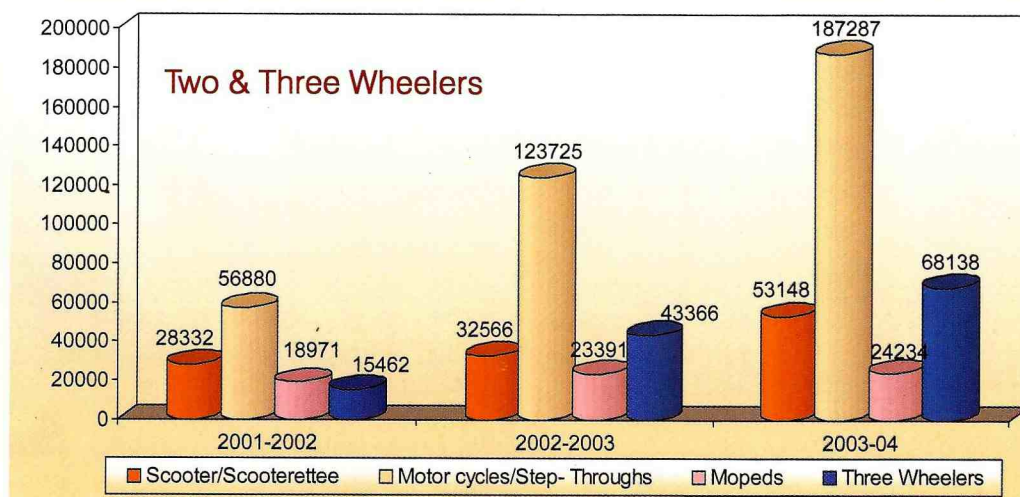
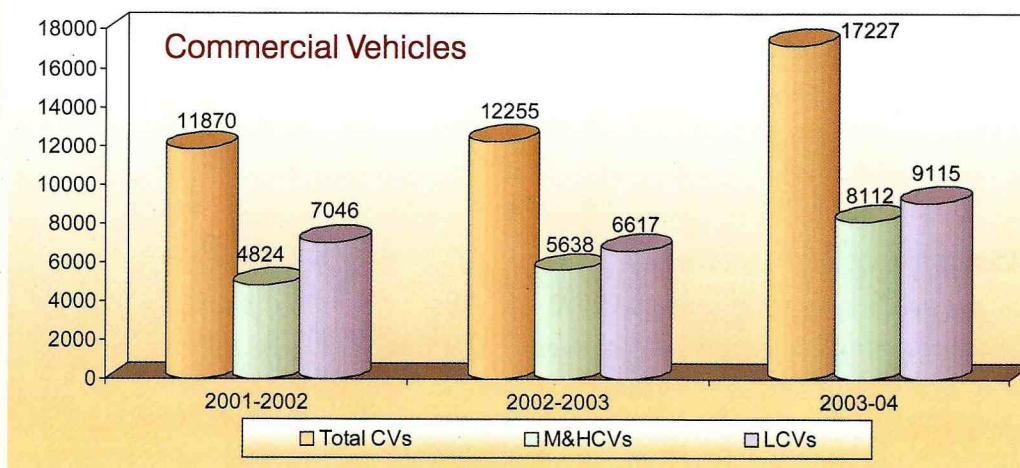
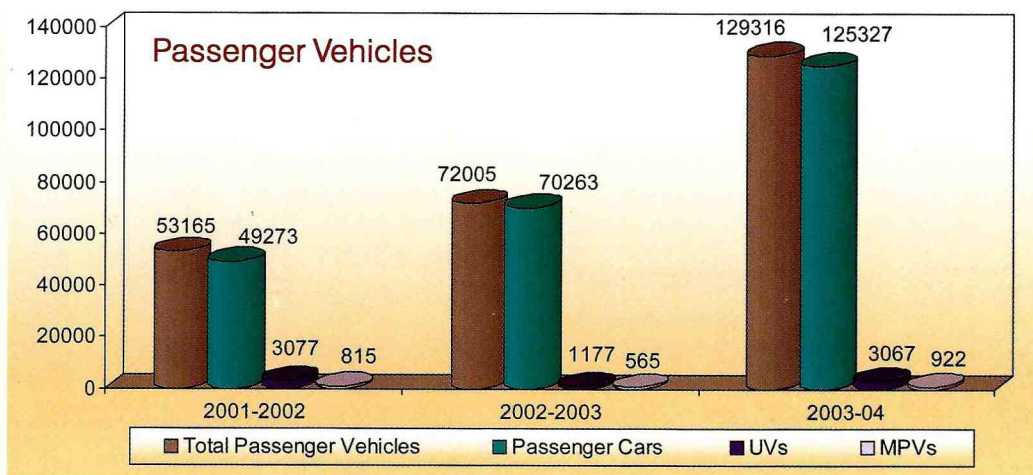
Automobile - Domestic Sales Trends

(In Numbers)



Automobile - Export Sales Trends

(In Numbers)



SIAM Office Bearers

Executive Committee 2003 – 2004

Company	Member	Alternate
Maruti Udyog Ltd	Mr Jagdish Khattar (President)	Mr K Saito
Bajaj Auto Ltd	Mr Madhur Bajaj (Vice President)	Mr Sanjiv Bajaj
Eicher Motors Ltd	Mr S Sandilya (Treasurer)	Mr Rakesh Kalra
Ashok Leyland Ltd	Mr R Seshasayee (Immediate Past President)	
DaimlerChrysler India Pvt Ltd	Mr Hans-Michael Huber	Mr S M Kadlaskar
Ford India Pvt. Ltd	Mr David E Friedman	Mr Vinay Piparsania
General Motors India Pvt Ltd	Mr Aditya Vij	Mr P Balendran
LML Ltd	Mr Deepak K Singhania	Mr R D Jayal
Hero Honda Motors Ltd	Mr Pawan Munjal	
Hindustan Motors Ltd	Mr C K Birla	Mr A S Narayanan
Hyundai Motor India Ltd	Mr J I Kim	Mr B V R Subbu
Kinetic Engineering Ltd	Mr Arun Firodia	Mr M K Khera
Mahindra & Mahindra Ltd	Mr Anand G Mahindra	Mr Alan Durante
Tata Cummins Ltd	Mr Anant J Talaulicar	Mr V K Jayaswal
Tata Motors Ltd	Mr Ravi Kant	Mr V Krishnan
TVS Motor Company Ltd	Mr Venu Srinivasan (Past President) Mr C P Raman	
Volvo India Pvt Ltd	Mr Ulf Nordqvist	Mr Mansoor Ahmed

Committees, Sub Committees, Working Groups, Task Forces and Core Groups (2003 - 2004)

Task Force on Classification of Vehicles

Chairman - Mr Abhay Firodia, Chairman & Managing Director, Bajaj Tempo Ltd.



The Task Force on Classification under the Chairmanship of Mr Abhay Firodia interacted during the year under review to bring about consensus on various issues regarding classification of vehicles such as - Model

wise Details; Reporting of CBU, CKD/SKD in the New Format; Reporting of State wise Sales Data in New Format; Reporting of Price Data; Reporting of Import, etc

Working Group on Styling and Design

Chairman - Mr Ravi Kant, Executive Director (CVBU), Tata Motors Ltd.

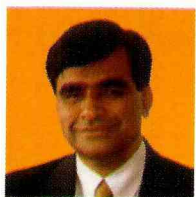


The Working Group on Styling and Design set up to give greater exposure and an enabling atmosphere to our designers to be able to assimilate customer expectations into products

being manufactured is working on various activities to achieve its objectives

Committee on VAT Implementation

Chairman - Mr K K Swamy, Dy. Managing Director, Toyota Kirloskar Motor Ltd



The Committee under the Chairmanship of Mr K K Swamy had several interactions with CII, State Governments and Central Government regarding implementation of VAT from

1st April 2004. Despite extensive efforts by the committee, it was disappointing for automobile industry that the VAT was not implemented from 1st April 2004. The Union Finance Minister in the Union Budget 2004-05 has announced that the VAT would be implemented from April 2005. The Committee would continue its dialogue with stakeholders to ensure that SIAM concerns are appropriately addressed.

Committee on International Trade

Chairman - Mr R Seshasayee, Immediate Past President & MD Ashok Leyland Ltd



SIAM Committee on International Trade under the Chairmanship of Mr Seshasayee has been working on trade related issues like World Trade Organisations (WTO) and India's Preferential Trading Agreements.

SIAM has been giving suggestions to Ministry of Commerce & Industry (MoC&I) and Ministry of Heavy Industries and Public Enterprises (MoHI&PE) as to what India's stand could be regarding the items falling under Automotive sector and other related issues. It has initiated several studies for different markets to assess India's competitive position compared to those countries and plans to undertake further assignments during the year. The Committee is also spearheading SIAM initiatives on various international platforms like APEC Automotive Dialogue, ATPC initiative on WTO, etc.

COMMITTEES, SUB COMMITTEES, WORKING GROUPS, TASK FORCES AND CORE GROUPS (2003 - 2004)

Committee for ASCON & Institutional Linkages with ARAI & ACMA

Chairman - Mr Madhur Bajaj, Vice Chairman, Bajaj Auto Ltd.



The Committee for ASCON & Institutional Linkages with ARAI & ACMA under the Chairmanship of Mr Madhur Bajaj, Vice President SIAM and Vice Chairman, Bajaj Auto Ltd. The Association Council is the second highest

Council of CII and SIAM is a member of its Manufacturing Council. ASCON is an important forum as it enables participants to share data on different industry sectors and also gives an opportunity to learn about growth, technological trends and approaches adopted to enhancing manufacturing competitiveness.

With ARAI and ACMA interactions are periodically held on issues of mutual interest for sustained development of automotive industry.

Mission on Frontier Technologies

Chairman - Dr V Sumantran, Executive Director (PCBU and ERC), Tata Motors Ltd



The Mission has identified the frontier technologies required for future Automobiles in order to make them world class. This initiative was welcomed by Dr R Chidambaram, Principal Scientific Adviser to Government of India under whose Chairmanship the Industry-Academia Interaction has been initiated. Under the initiative of Industry-Academia interaction a "Core Group on Automotive Research (CAR)" has been constituted to identify the R&D needs of the Indian Automotive Industry and development of Enterprise & Experts database.

The mission also chairs the Expert Group on Hydrogen Energy application in Transportation sector constituted under National Hydrogen Energy Board.

Task Force on Recycling

Chairman - Mr Hans-Michael Huber, Managing Director & CEO, DaimlerChrysler India Pvt Ltd



The Task Force under the Chairmanship of Mr Hans-Michael Huber worked on Recycling and End of Life of Vehicles taking cognisance of the existing regulations and experience world wide. It focused on the Imperatives for the Indian automotive industry with increasing usage of recyclable products in the European markets. A presentation was made to the CAR group.

Core Group on IT Initiatives

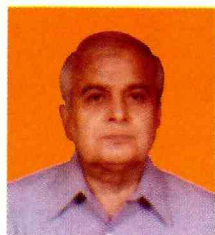
Chairman - Mr Rajesh Uppal, General Manager, Maruti Udyog Ltd



The Core Group under the Chairmanship of Mr Rajesh Uppal continued its dialogue with several State Transport Authorities, National Informatics Centre, the Ministry of Heavy Industries & Public Enterprises and Ministry of IT & Communication on a computerized model for registration of vehicles in the States with the final objective of networking vehicles registration data throughout the country and creating a Centralised Data Bank at Ministry of Road Transport & Highways.

Task Force on Upgradation of Test Facilities

Chairman - Dr K Kumar, Advisor, Maruti Udyog Ltd



The Task Force under the Chairmanship of Dr K Kumar, Advisor, Maruti Udyog Ltd, pursued work on the Preliminary Business Case for the Report on Upgradation of Testing Facilities prepared last year.

Task Force on Auto Oil

Chairman - Dr Pawan Goenka, Chief Operating Officer, Mahindra & Mahindra Ltd



The Task Force on Auto Oil under the Chairmanship of Dr Pawan Goenka, Chief Operating Officer, Mahindra & Mahindra worked on issues of common interest of Auto & Oil Industries.

The objective of the Task Force is to jointly address common concerns Auto & Oil industry arising out of new emission regulations. The Task Force deliberated on issues related to Fuel Quality including Fuel Adulteration and Air Quality Monitoring with a view to address issues and gaps identified by the Mashelkar Committee Report on Auto Fuel Policy.

Technical Committee on Emissions

Chairman - Mr R R Akarte, General Manager (Vehicle Testing), Tata Motors Ltd.



Emissions Committee under the Chairmanship of Mr R R Akarte actively worked on the implementation emissions roadmap and in-use emissions norms. This committee also deliberated on issues related to alternative fuels like CNG, LPG, Ethanol blended fuels, bio-diesel, etc.

CMVR, Safety and Regulations Committee

Chairman - Mr R Devarajan, Spl. Director, Ashok Leyland Ltd



The Committee under the Chairmanship of Mr R Devarajana worked actively on issues related to formulation & implementation of safety regulations, harmonisation of standards, of the Road Map for Safety Standards and homologation & certification of vehicles.

Society for Automotive Fitness & Environment (SAFE)

President - Mr N V Iyer, Adviser, Bajaj Auto Ltd



Society for Automotive Fitness and Environment (SAFE) has membership from vehicle manufacturers, ARAI, IIP, CIRT and several NGOs in the governing council. SAFE has been focusing on issues of road safety and in-use vehicle emission management with various Government Departments in all major cities. Road safety education has always been one of the major areas of focus for SAFE and under this initiative school children have been educated through visits to various automobile manufacturing facilities and interactive programmes in partnership with Traffic and Transport Departments of State Government. Other initiatives included driver training programmes undertaken in major cities with special focus on attitudinal change, Traffic rules, Fuel conservation and other safety tips. SAFE has played a pivotal role in developing Computerisation of Pollution Check Centres and now working on Networking of the computerised Centres.

COMMITTEES, SUB COMMITTEES, WORKING GROUPS, TASK FORCES AND CORE GROUPS (2003 - 2004)

Two and Three Wheeler Sub-Committee

Chairman - Mr M N Muralikrishna, Technical Adviser, TVS Motor Company



The Two and Three Wheeler Sub-Committee under the Chairmanship of Mr M N Muralikrishnan met regularly to consolidate industry viewpoint on future emission norms for 2005 and beyond, durability of catalytic converters, evaluation of deterioration factor for two-wheelers, use of alternative fuels, in-use vehicle norms, World Motorcycle Testing Cycle (WMTC) and other relevant issues. Mr Muralikrishna also represented the industry in International fora viz. Federation of Asian Motorcycle Industries (FAMI) and WP 29 meetings for harmonisation of worldwide automotive regulations.

Commercial Vehicle Sub-Committee

Chairman- Dr A K Jindal, General Manager, Eicher Motors Ltd.



The committee under the Chairmanship of Dr A K Jindal, General Manager, Eicher Motors Ltd. deliberated on various technical issues related to the sustainable development of the Commercial Vehicle industry including issues related to the policies for power to weight ratio. Dr Jindal also initiated interaction with Government of Madhya Pradesh for discussing vehicular emission control programmes.

Passenger Cars and UVs Sub-Committee

Chairman - Mr Sudam Maitra, Chief General Manager (Engg), Maruti Udyog Ltd



The Sub-Committee under the Chairmanship of Mr Sudam Maitra worked on various issues related to passenger cars emission norms and other related areas.

Working Group on CMVR

Chairman - Mr T M Balaraman, Deputy General Manager (PE), Bajaj Auto Ltd



The Working Group under the Chairmanship of Mr T M Balaraman, DGM, Bajaj Auto Ltd interacted regularly and actively assisted CMVR, Safety & Regulations Committee in various tasks taken up by the Committee.

Working Group on Fuels

Chairman Mr G S Kalhe, General Manager, Ford India Pvt Ltd



The Working Group under the Chairmanship of Mr G S Kalhe focused on the use of Ethanol gasoline blend in vehicles and also on the specifications of Bio-diesel to be used as an automotive fuel. The working group interacted with the concerned stakeholders including oil companies and policy makers to address the concerns of the automotive industry on issues relating to fuel quality.

Presidents

Year	Name	Company
1960	Mr Lalchand Hirachand*	Premier Automobiles Ltd
1961	Sir L P Misra*	Hindustan Motors Ltd
1962 & 1963	Mr A E L Collins*	Ashok Leyland Ltd
1964	Mr Keshub Mahindra	Mahindra & Mahindra Ltd
1965 & 1966	Dr M A Chidambaram*	Automobile Products of India Ltd
1967 & 1968	Mr K V Srinivasan	Standard Motor Product of India Ltd
1969	Mr A H Tobaccowala	Tata Engg. & Locomotive Co. Ltd
1970 & 1971	Mr A Sivasailam	Simpson & Co. Ltd
1972 & 1973	Mr N K Firodia*	Bajaj Tempo Ltd
1974 & 1975	Mr J E Talaulicar	Tata Engg. & Locomotive Co. Ltd
1976 & 1977	Mr Rahul Bajaj	Bajaj Auto Ltd
1978 & 1979	Mr P N Venkatesan	Premier Automobiles Ltd
1980 & 1981	Mr C V Karthik Narayanan	Standard Motor Product of India Ltd
1982 & 1983	Mr R J Shahaney	Ashok Leyland Ltd
1984 & 1985	Mr V Krishnamurthy	Maruti Udyog Ltd
1986 & 1987	Mr S L Bhattar	Hindustan Motors Ltd
1988/89 & 1989/90	Mr B De Souza	Mahindra & Mahindra Ltd
1990/91 & 1991/92	Mr Abhay Firodia	Bajaj Tempo Ltd
1992-1993	Mr Subodh Bhargava	Eicher Motors Ltd
1993/94 & 1994/95	Mr Vinod L Doshi	Premier Automobiles Ltd
1995/96 & 1996/97	Mr Brijmohan Lall	Hero Honda Motors Ltd
1997/98 & 1998/99	Mr V M Raval	Tata Engineering
1999/00 & 2000/01	Mr Venu Srinivasan	TVS Motor Company
2001/02 & 2002/03	Mr R Seshasayee	Ashok Leyland Ltd
2003/04-	Mr Jagdish Khattar	Maruti Udyog Ltd

* Since deceased

Members of SIAM

1. Ashok Leyland Ltd
2. Atul Auto Ltd
3. Bajaj Auto Ltd
4. Bajaj Tempo Ltd
5. DaimlerChrysler India Pvt Ltd
6. Eicher Motors Ltd
7. Fiat India Pvt. Ltd
8. Ford India Pvt. Ltd
9. General Motors India Pvt. Ltd
10. Greaves Cotton Ltd
11. Hero Honda Motors Ltd
12. Hindustan Motors Ltd
13. Honda Sael Cars India Ltd
14. Honda Motorcycle & Scooter India (Pvt) Ltd
15. Hyundai Motor India Ltd
16. Kinetic Engineering Ltd
17. Kinetic Motor Company Ltd
18. LML Ltd
19. Mahindra & Mahindra Ltd
20. Majestic Auto Ltd
21. Maruti Udyog Ltd
22. Piaggio Vehicles Pvt Ltd
23. Premier Automobiles Ltd
24. Royal Enfield (Unit of Eicher Ltd)
25. Simpson & Co. Ltd
26. SkodaAuto India Pvt Ltd
27. Swaraj Mazda Ltd
28. Tata Cummins Ltd
29. Tata Motors Ltd
30. Tatra Trucks India Ltd
31. Toyota Kirloskar Motor Pvt Ltd
32. TVS Motor Company Ltd
33. Vehicle Factory, Jabalpur
34. Volvo India Pvt. Ltd
35. Yamaha Motor India Pvt. Ltd

Affiliation & Liaison with other Associations & Institutions

India

MoU Partner: Delhi Transport Corporation
All India Motor Transport Congress
Aluminum Association of India
Association of State Road Transport Undertakings
Automotive Component Manufacturers Association of India
Automotive Tyre Manufacturers Association
Automotive Research Association of India
Automotive Services Equipments Association
Bureau of Indian Standards
Central Institute of Road Transport
Central Road Research Institute
Confederation of Indian Industry
Federation of Automobile Dealers Association
Indian Institute of Petroleum
Indian Machine Tool Manufacturers Association
Indian Steel Alliance
Indian Rubber Institute
Indian Institute of Foreign Trade
Insurance Regulatory and Development Authority
Institute of Road Traffic Education
Petroleum Federation of India
Research & Information Systems for Non-aligned and Other Developing Countries
Tractor Manufacturers Association
The Energy and Resources Institute
US-AID
US-AEP
Vehicles Research & Development Establishment (VR&DE)
TIFAC

Overseas

MoU Partner: Federation of Nepal Chamber of Commerce & Industry, Nepal
MoU Partner: Nepal Auto Dealers Association, Nepal
MoU Partner: SAE International, USA

AFFILIATION & LIAISON WITH OTHER ASSOCIATIONS & INSTITUTIONS

MoU Partner: Vietnam Register

MoU Partner: Mitra Emisi Bersih (Partnership for Clean Emission), Indonesia

MoU Partner: National Alternative Fuel Training Consortium, USA

Founder Member: Federation of Asian Motorcycles Industries, Singapore

Association of Fabricas de Automotores, Buenos Aires, Argentina

Associazione Nazionale fra Industrie Automobilistiche, Torino, Italy

Chambers Syndicate des Constructeurs d Automobiles, Paris, France

China Association of Automobile Manufacturers, Beijing, P R China

Japan Automobile Manufacturers Association Inc, Tokyo, Japan

Organisation Internationales des Constructeurs d Automobiles, Paris, France

Verband der Automobilindustrie e.v. Frankfurt, Germany

Indonesian Motorcycle Industry Association, Jakarta, Indonesia

Korea Automobile Manufacturers Association, Seoul, Korea

Motorcycle and Scooter Assemblers and Distributors Association of Malaysia, Penang, Malaysia

Motorcycle Development Program Participants Association, Pasig City, Philippines

Singapore Motorcycle Trade Association, Singapore

Taiwan Transportation Vehicle Manufacturers Association, Taipei, Taiwan

Thai Automotive Industry Association, Bangkok, Thailand

The Society of Motor Manufacturers & Traders Ltd, London, UK

Transport Research Laboratory, UK

Japan Automobile Standards Internationalisation Centre, Tokyo, Japan

International Motorcycle Manufacturers Association, Geneva

Clean Air Initiatives of Asian Cities (CAI - Asia)

Malaysia Automotive Association

Automotive Policy Planning, METI, Japan

ASEAN Automotive Federation, Indonesia

Thailand Automotive Institution, Thailand

Korean Automotive Manufacturers Association, Korea

Board of Investment, Republic of the Philippines, Philippines

National Highway Traffic & Safety Authority, USA

US DoC, USA

US DoE, USA

US-EPA, USA

Automotive Trade Policy Council, USA

ACEA (EU Automotive Association), Brussels

ANFINA (Brazil Automotive Association), Brazil

SIAM Secretariat

Society of Indian Automobile Manufacturers

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Fax: +91-11-24648222

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