

## A STUDY ON FOREIGN DIRECT INVESTMENT IN AUTOMOBILES IN INDIA

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### ABSTRACT

The Foreign Direct Investment in Indian Automobile Industry has opened up new avenues for the development of this important sector of Indian industries. The liberalization of government policies regarding FDI in the automobile industry of India has increased the scope of this industry. The first FDI player in the Indian automobile industry was Suzuki. In 1980s this company entered into a joint venture with MarutiUdyog, a state run enterprise. The then Indian government permitted this company to enter the Indian automobile market in 1983. In 1991, the government of India liberalized its policies regarding the automobile industry of India Foreign Direct Investment in the automotive industry of India was permitted. In 1993, FDI was also allowed in the passenger car segment of Indian automobile industry. This paper analysis the progress so far made through FDI in Indian automobile industry.

**KEYWORDS:** Foreign Direct Investment, Automobile Industry, Automobile Production Trends, Foreign Investment