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| **Automotive Component Manufacturers Association Of India** |

Press Statement

**ACMA stresses on need for calibrated move towards e-mobility**

**New Delhi; June 11, 2019** - ACMA, the apex body representing the interest of the Auto component manufacturing industry in India is committed to support the Government of India’s intent of ushering in electric mobility in the country to address the dual challenges of rising pollution in the Indian cities as also the need to reduce the dependency of the automotive sector on fossil fuels. The industry body is also highly appreciative of the thrust given to localization in the PMP (Phased Manufacturing Program) announced simultaneously with the FAME-2 (Faster Adoption and Manufacturing of Hybrid & Electric Vehicles in India) scheme of the Government of India dated March 08, 2019.

It is however understood from recent media reports that the Government of India wishes to fast track the rolling-in of e-mobility for two-wheelers and three wheelers – hundred percent e-three wheelers by 2023 and hundred percent e-two wheelers below 150cc by 2025. This could be highly disruptive for the auto component industry.

Emphasizing on the need for a calibrated roll-out of e-mobility in the country, especially for the two and three wheelers segments, **Ram Venkataramani, President ACMA** mentioned, “ The auto component industry in India is facing one of the severest challenges at this juncture, while on one hand it is faced with the daunting task of meeting the stringent deadlines of transitioning from BSIV to BSVI and a host of safety norms, on the other, poor vehicle sales for close to a year now has the industry worried. It is to be noted that India is the only country in the world to have by-passed a generation of technology as its commitment to produce vehicles with better emissions.”

“ The auto component industry in India is a shining example of ‘Make in India’; the industry with over USD 55 billion in turnover, exports a-third of its production to the developed countries, with engine and transmission-drive accounting for its bulk. The industry, dominated by small & medium enterprises, creates employment for more than 30 lakh personnel. Whilst the auto component industry whole-heartedly supports the Government of India’s intent of ushering in e-mobility and has already started to prepare for it, a hundred percent transition in the next few years would translate into decimating the existing vibrant eco-system of this unique industry. Undue haste, without giving adequate consideration for localization, could lead to rising imports; a phenomenon already, rapidly gaining ground with increasing electronic content in vehicles. Therefore, a pragmatic approach for the government would be to create a stable, long term road-map in consultation with the industry to ensure a smooth evolution rather than a disruption”, added **Ram**.

**About ACMA:**

The Automotive Component Manufacturers Association of India (ACMA) is the apex body representing the interest of the Indian Auto Component Industry. Its membership of over 800 manufacturers contributes more than 90% of the auto component industry’s turnover in the organized sector. ACMA’s active involvement in trade promotion, technology up-gradation, quality enhancement and collection & dissemination of information has made it a vital catalyst for this industry’s development. ACMA’s charter is to develop a globally competitive Indian auto component Industry and strengthen its role in national economic development as also promote business through international alliances. ACMA is an ISO 9001:2008 Certified Association.

**For further details:**

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