



Automotive Component Manufacturers Association Of India

## Press Statement

### **ACMA welcomes a growth oriented Budget**

**New Delhi, February 1, 2019:** ACMA, the apex body representing India's auto component sector, welcomed the measures announced in the Interim Budget for announcing measures to boost the economy and making it inclusive. The industry body expressed satisfaction on the focus on development of rural economy, middle class, infrastructure, health and education, ease of doing business, attracting investments and encouraging digitization.

Congratulating the **Union Finance Minister, Piyush Goyal, President ACMA, Ram Venkataramani**, said, "The Budget unveiled by Hon'ble Finance Minister is indeed inclusive, growth oriented and technology focused. It lays a strong foundation for India's economic growth for the next decade. The budget has given a much-needed focus to growth and development of the rural economy by extending necessary incentives to it. Further, increasing the zero tax income limit to Rs. 500,000 will be a shot in the arm for the middle-class thus boosting market sentiments. These measures will lead to improved sales of automotive products, especially two-wheelers, farm equipment and entry level passenger vehicles which in turn, will fuel growth of the domestic auto component industry. With an eye on leapfrogging the country on technology front, the setting up of a National Centre on Artificial Intelligence is truly welcome. This will facilitate development of newer skillsets in the wake of the disruptive technological trends being witnessed by the automotive industry."

"We are also glad to note that the Government wishes for India to lead the world in transport revolution on the back of electric vehicles. We urge the Government to define a technology agnostic road map for xEVs (hybrid and electric vehicle), with a well-outlined plan for component manufacturing to support the same. It needs to be ensured that import tariff on components for xEVs is progressively enhanced to 15% to realize the vision of 'Make in India'. That apart, enabling research in component development for xEVs through a Technology Development fund is also the need of the hour", added Ram.

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**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 is an ISO 9001:2008 Certified Association. The Indian Auto-Component Industry showed healthy growth of 18.3% posting Rs. 3,45,635 crore (USD 51.2 billion) turnover in the FY 2017-2018. While the exports showed a growth of 23.9% scaling to Rs. 90,571 crore (USD 13.5 billion) in FY 2017-18. The Aftermarket grew by 9.8% to Rs. 61,601 crore (USD 9.2 billion) from Rs 56,096 crore (USD 8.4 billion) in the previous fiscal.

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