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| **Automotive Component Manufacturers Association of India** |

**Press Release**

**Indian Auto Component Industry grows 65 per cent to Rs. 1.96 lakh crore (USD 26.6 billion) in first-half of 2021-22**

* ***Industry net foreign exchange positive***
* ***Exports at Rs.68,746 crore (USD* 9.3 *billion) grow by 76 per cent***
* ***Imports at Rs.64,310 crore (USD* 8.7 *billion) grow by 71 per cent***
* ***Industry cautiously-optimist about near to mid-term future***
* ***Most auto component manufacturers are preparing to be part of EV supply chain***

**New Delhi; 21 December 2021**: Automotive Component Manufacturers Association of India (ACMA), the apex body representing India’s Auto Component manufacturing industry today announced the findings of its Industry Performance Review for the first half of fiscal 2021-22. The turnover of the automotive component industry stood at Rs.1.96 lakh crore (USD 26.6 billion) for the period April 2021 to September 2021, registering a growth of 65 per cent over the first half of the previous year.

Commenting on the performance of the auto component industry in India, **Vinnie Mehta, Director General, ACMA** said*, “Despite the slow offtake in vehicles sales due to supply side issues, especially in the first quarter, the auto component industry demonstrated a remarkable turn-around in the first-half of FY 2021-22. With significant growth in all segments – supply to OEMs, Exports as also the aftermarket, the component industry grew to Rs.1.96 lakh crore (USD 26.6 billion) registering 65 per cent growth. Exports grew by 76 per cent to Rs.68.7 lakh crore (USD 9.3 billion) while imports grew by 71 percent to Rs.64.3 lakh crore (USD 8.7 billion) leading to trade surplus of USD 600 million. The Aftermarket, estimated at Rs. 38,895 crore also witnessed a steady growth of 25 per cent. Component sales to OEMs in the domestic market grew by 76 percent to Rs.1.53 lakh crore”.*

Sharing his insights on the performance of the auto component industry, **Sunjay Kapur, President, ACMA** said, *“Despite resurgence of demand for vehicles, supply-side issues of availability of semiconductors, increasing input costs, rising logistics costs and availability of containers, among others, continue to hamper recovery in the automotive sector. The auto component industry, in this backdrop, displayed remarkable resilience. Increased value-addition to meet regulatory compliance, fast recovery in external markets and traction in the domestic aftermarket market have contributed to the growth of the sector in the first-half of FY 2021-22.*

*Going forward, whilst the performance of the vehicle industry during the festive season has not been on expected lines, however there are indications that the vehicle demand, in the coming months, will improve. This, together with the increased focus by the auto industry on deep-localisation and the recent announcements by the of PLI schemes by the Government on Advanced Chemistry Cell (ACC) Batteries and Auto & Auto Components will facilitate the creation of a state-of-the-art automotive value chain and developing India into an attractive alternative source of high-end auto components.”*

Elaborating on the mood of the industry and outlook for the near to mid-term future, **Kapur** mentioned, *“According to a recent survey of ACMA leadership, despite concerns of another wave of pandemic, the industry is cautiously optimistic about the prospects of the Indian economy and the automotive sector for FY2021-22. Auto component manufacturers have now, by and large, recovered and the investment cycle has also commenced. On the subject of auto component industry preparing to be future-ready, 60 percent of the respondents mentioned that they were already equipped to be part of the EV supply chain, while the rest would be ready in the next two-odd years.”*

**Key findings of the ACMA Industry Performance Review for H1 2021-22:**

* **Exports**: Exports of auto components grew by 76 percent to Rs.68,746 crore (USD 9.3 billion) in H1 2021-22 from Rs 39,003 crore (USD 5.2 billion) in H1 2020-21. Europe accounting for 31 per cent of exports, saw an increase of 81 percent, while North America and Asia, accounting for 32 per cent and 25 per cent respectively also registered increase of 81 and 73 per cent respectively.
* **Imports**: Imports of auto components grew by 71 per cent from Rs.37,710 crore (USD 5.0 billion) in H1 2020-21 to Rs.64,310 crore (USD 8.7 billion) in H1 2021-22. Asia accounted for 63 per cent of imports followed by Europe and North America, with 29 per cent and 7 per cent respectively. Imports from all geographies witnessed steep increase reflecting growth in domestic manufacturing activities.

* **Aftermarket**: The aftermarket in H1 2021-22 witnessed a growth of 25 per cent to Rs 38,895 crore (USD 5.3 billion) from Rs.31,116 crore (USD 4.1 billion) in H1 2020-21.

Note: *The Turnover data represents the entire supplies from the auto component industry (ACMA members and non-members) to the on-road and off-road vehicle manufacturers and the aftermarket in India as well as exports. This also includes component supplies captive to the OEMs and by the unorganized and smaller players.*

**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 9001:2015 Certified Association.

**For further details:**

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