

# Auto components industry grows 35% in H1FY23, import jumps 17%

ENS ECONOMIC BUREAU @ New Delhi

BACKED by robust demand for passenger vehicles (PVs), India's automotive component industry turnover grew by nearly 35% in the first half of financial year 2023 (H1FY23) to ₹2.65 lakh crore (\$33.8 billion) as against ₹1.97 lakh crore (\$26.6 billion) in the corresponding six month period of previous fiscal (H1FY22), Automotive Component Manufacturers Association of India (ACMA) said on Wednesday.

"In the first half, 47% of our revenue to the supply to the OEMs, which is \$28.6 billion, came from passenger vehicles. Interestingly, in the first half of last fiscal, the PVs accounted for about 38% of our revenue from the OEM," said ACMA Director General Vinnie Mehta. There has been a demand shift towards SUVs, and the value proposition has also been enhanced, he added.

However, the two-wheeler industry was under pressure and it accounted for about 18% of the revenue against 21% in the first half of the last fiscal. Imports of auto components grew by 17.2% to \$10.1 billion (Rs 79,815 crore) in H1FY23 from \$8.7 billion (Rs 64,310 crore) in H1FY22. Asia, mainly China, accounted for 65% of imports, followed by Europe and North America, with 26% and 8%, respectively. Imports from Asia grew by 21% during the April-September FY2023 period.

Mehta said while the components industry closed the last fiscal with a trade surplus of \$700 million, in the current fiscal, it has become neutral with exports and imports finely balanced. "The sharper growth in the import has been because of the uptick in the domestic market, very much correlated to growth in the domestic market for the OEM segment," he added.

On the export front, ACMA said it grew by 8.6% to \$10.1 billion (Rs 79,033 crore) in H1FY23 from \$9.3 billion (Rs 68,746 crore) in H1FY22.



## Auto components industry performance

### Size of industry in (₹cr)

■ H1 FY22: ₹196,626 crore

■ H1 FY23: ₹265,098 crore

■ Growth: 34.8%

### Export (in US\$)

■ H1 FY22: \$ 9.3 billion

■ H1 FY23: \$ 10.1 billion

■ Growth: +8.6%

### Import (in US\$)

■ H1 FY22: \$ 8.7 billion

■ H1 FY23: \$ 10.1 billion

■ Growth: +17.2%