



## Press Release

### **Indian Auto Component Industry clocks highest-ever turnover of Rs. 5.6 lakh crore (USD 69.7 billion), grows 32.8% in FY 2022-23**

- *Sales to OEMs grows 39.5% on back of strong growth in vehicle sales*
- *Exports remain steady despite recessionary trends in key markets*
- *Auto component Aftermarket grows 15% to Rs. 85,333 crore (USD 10.6 billion)*
- *EVs account for 2.7% of Auto Components Industry turnover, up from 1% in FY22*
- *Industry optimistic as economy and vehicle demand exhibit robustness*

**New Delhi, 07 August 2023:** 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 fiscal year 2022-23. The turnover of the automotive component industry stood at Rs. 5.60 lakh crore (USD 69.7 billion) for the period of April 2022 to March 2023, registering a growth of 32.8% over the previous year.

Commenting on the performance of the auto component industry, **Vinnie Mehta, Director General, ACMA** said, *"On back of significant vehicle sales in the country, a robust aftermarket and steady exports, the auto component industry demonstrated its best ever performance in FY23. The component industry sized-up to Rs. 5.60 lakh crore (USD 69.7 billion) registering 32.8% growth, thus outpacing its highest ever turnover of Rs. 4.20 lakh crore in FY21-22. Exports grew by 5.2% to Rs. 1.61 lakh crore (USD 20.1 billion) while imports grew by 10.9% to Rs. 1.63 lakh crore (USD 20.3 billion). The Aftermarket, estimated at Rs. 85,333 crores also witnessed a steady growth of 15%. Component sales to OEMs in the domestic market grew by 39.5% to Rs. 4.76 lakh crore."*

Sharing his insights on the performance of the industry, **Sunjay Kapur, President, ACMA & Chairman, Sona Comstar** said, *"It is pertinent to note that apart from growth in vehicle sales, significant higher value addition from the component sector has led to its noteworthy performance in FY23. On the front of trade, it is appreciable that there has been steady growth in exports despite recessionary trends in Europe and the US which are key export destinations for the auto components industry. Strong rebound in vehicle sales in the domestic market also led to sharper rise in imports that has translated into trade deficit this year."*

Elaborating on the mood of the industry and outlook for the near future, **Kapur** mentioned, *"Whilst the automotive value-chain faced significant disruptions in wake of the pandemic, vehicle sales, especially in the PV, CV and tractor segments have now reached pre-pandemic levels. Even*

*the two-wheeler industry has recovered well. With significant mitigation in the supply-side issues of availability of semiconductors, input raw-material costs and logistics, the vehicle industry is expected to continue to perform well in FY24, which augurs well for the auto components sector. That apart, exports and growth in domestic aftermarket continue to be robust.”*

### **Key findings of the ACMA Annual Industry Performance Review for 2022-23:**

- **Sales to OEMs:** Auto Component sales to OEMs, in the domestic market, at Rs. 4.76 lakh crores (USD 59.3 billion) grew 39.5% compared to the previous year. Consumption of increased value-added components and shift in market preference towards larger and more-powerful vehicles contributed to the increased turnover of the auto-components sector.
- **Exports:** Exports of auto components witnessed growth of 5.2% to Rs. 1.61 lakh crore (USD 20.1 billion) in 2022-23 in contrast to Rs. 1.41 lakh crore (USD 19.0 billion) in 2021-22. North America accounting for 32% of exports, saw a growth of 8%. Europe accounting for 31% and Asia for 26% grew 3% and 4% respectively.

The key export items included drive transmission and steering, engine components, body/chassis, suspension and braking etc.

- **Imports:** Traction in the domestic market also reflected on imports of component into India. Component imports grew by 10.9% in 2022-23 to Rs. 1.63 lakh crore (USD 20.3 billion) from Rs. 1.36 lakh crore (USD 18.3 billion) in 2021-22. Asia accounted for 66% of imports followed by Europe and North America at 26% and 6% respectively. Imports from Asia grew 12%, while those from Europe by 6% and from North America by 23%.
- **Aftermarket:** Increased movement of vehicles post-pandemic and surge in demand for used vehicles led to buoyancy in the aftermarket across all segments. The turnover of the aftermarket in FY 2022-23 stood at Rs. 85,333 crore (USD 10.6 billion) compared to Rs. 74,203 crore (USD 10.0 billion) in the previous year.

#### Notes:

1. *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. EV-Component sales to domestic EV-OEMs are also captured in supply to OEMs, this however does not include batteries.*
2. *Percentage Growth figures of total turnover of the auto component industry, sales to OEMs and aftermarket are in Rupee-terms while those of exports and imports are in Dollar-terms.*

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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 850 manufacturers contributes more than 90% of the auto component industry's turnover in the organized sector. ACMA is an ISO 9001:2015 Certified Association.

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