



Automotive Component Manufacturers Association of India

Press Release

Indian Auto Component Industry clocks highest-ever turnover of Rs. 4.2 lakh crore (USD 56.5 billion), grows 23 per cent in FY 2021-22

- ***Sales to OEMs grows 22% on back of recovery in the market***
- ***Exports grow by 43% and imports by 33% clocking trade-surplus for the first time***
- ***Auto component Aftermarket grows 15% to Rs.74,203 crore (USD 10 billion)***
- ***Industry optimistic as economy revives and vehicle demand exhibits stability***

New Delhi; 22 August 2022: 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 2021-22. The turnover of the automotive component industry stood at Rs. 4.20 lakh crore (USD 56.5 billion) for the period April 2021 to March 2022, registering a growth of 23 per cent over the previous year.

Commenting on the performance of the auto component industry, **Vinnie Mehta, Director General, ACMA** said, *"Despite the supply-side issues, as vehicle sales and exports gradually gained traction, month-on-month, the auto component industry demonstrated a remarkable performance in FY2021-22. Significant growth was witnessed across all segments including supply to OEMs, Exports as also the Aftermarket. In this backdrop the component industry sized-up to Rs.4.20 lakh crore (USD 56.5 billion) registering 23 per cent growth, thus outpacing its highest ever turnover of Rs.3.95 lakh crore in FY18-19. Exports grew by 43 per cent to Rs.1.41 lakh crore (USD 19.0 billion) while imports grew by 33 percent to Rs.1.36 lakh crore (USD 18.3 billion) leading to trade surplus of USD 700 million. The Aftermarket, estimated at Rs. 74,203 crore also witnessed a steady growth of 15 per cent. Component sales to OEMs in the domestic market grew by 22 per cent to Rs.3.41 lakh crore."*

Sharing his insights on the performance of the industry, **Sunjay Kapur, President, ACMA & Chairman, Sona Comstar** said, *"Whilst the automotive value-chain faced significant disruptions over the last two years in wake of the pandemic, vehicle sales, especially in the PV, CV and tractor segments now seem to have reached the pre-pandemic levels. Of late, there has been some moderation in the supply-side issues of availability of*

semiconductors, input raw-material costs and availability of containers. Increased value-addition to meet regulatory compliance, fast recovery in external markets and traction in the domestic market, both OEMs and aftermarket have contributed to the remarkable growth of the auto components sector in FY 2021-22.”

Elaborating on the mood of the industry and outlook for the near future, **Kapur** mentioned, *“Going forward, with a slew of new launches, vehicle sales are expected to gain traction during the festive season. Further, increased focus by the auto industry on deep-localisation and the announcements of the 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 aid in developing India into an attractive alternative source of high-end auto components. The component industry is also transforming itself as sales of two-wheeler and three-wheeler EVs gain traction. I am hopeful that the buoyancy in the market will continue through the year and that FY22-23 will witness a healthy performance.”*

“Poor offtake of two-wheelers, increase in cost of insurance, high inflation, excessive fuel cost and extreme logistics costs are some of the issues of concern to the industry and do need urgent Government attention”, added **Kapur**.

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

- **Sales to OEMs:** Auto Component sales to OEMs, in the domestic market, at Rs.3.41 lakh crore (USD 45.8 billion), grew 22 per cent compared to the previous year. Enhanced raw material prices, 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 43 per cent to *Rs.1.41 lakh crore (USD 19.0 billion)* in 2021-22 in contrast to *Rs.0.98 lakh crore (USD 13.3 billion)* in 2020-21. North America accounting for 32 per cent of exports, saw a growth of 46 percent. Europe accounting for 31 per cent and Asia for 25 per cent grew 39 per cent and 40 per cent respectively.

The key export items included drive transmission & steering, engine components, Body/Chassis, Suspension & Braking etc.

- **Imports:** Traction in the domestic market also reflected on imports of component into India. Component imports grew by 33 per cent in 2021-22 to *Rs.1.36 lakh crore (USD 18.3 billion)* from *Rs.1.02 lakh crore (USD 13.8 billion)* in 2020-21. Asia accounted for

65 per cent of imports followed by Europe and North America at 27 per cent and 7 per cent respectively. Imports from Asia grew 30 per cent, while those from Europe by 39 per cent and from North America by 36 per cent.

- **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 2021-22 stood at Rs. 74,203 crore (USD10.0 billion) compared to Rs.64,524 crore (USD 8.7 billion) in the previous year.

Note:

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*

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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