Auto Component Industry in India – An Update

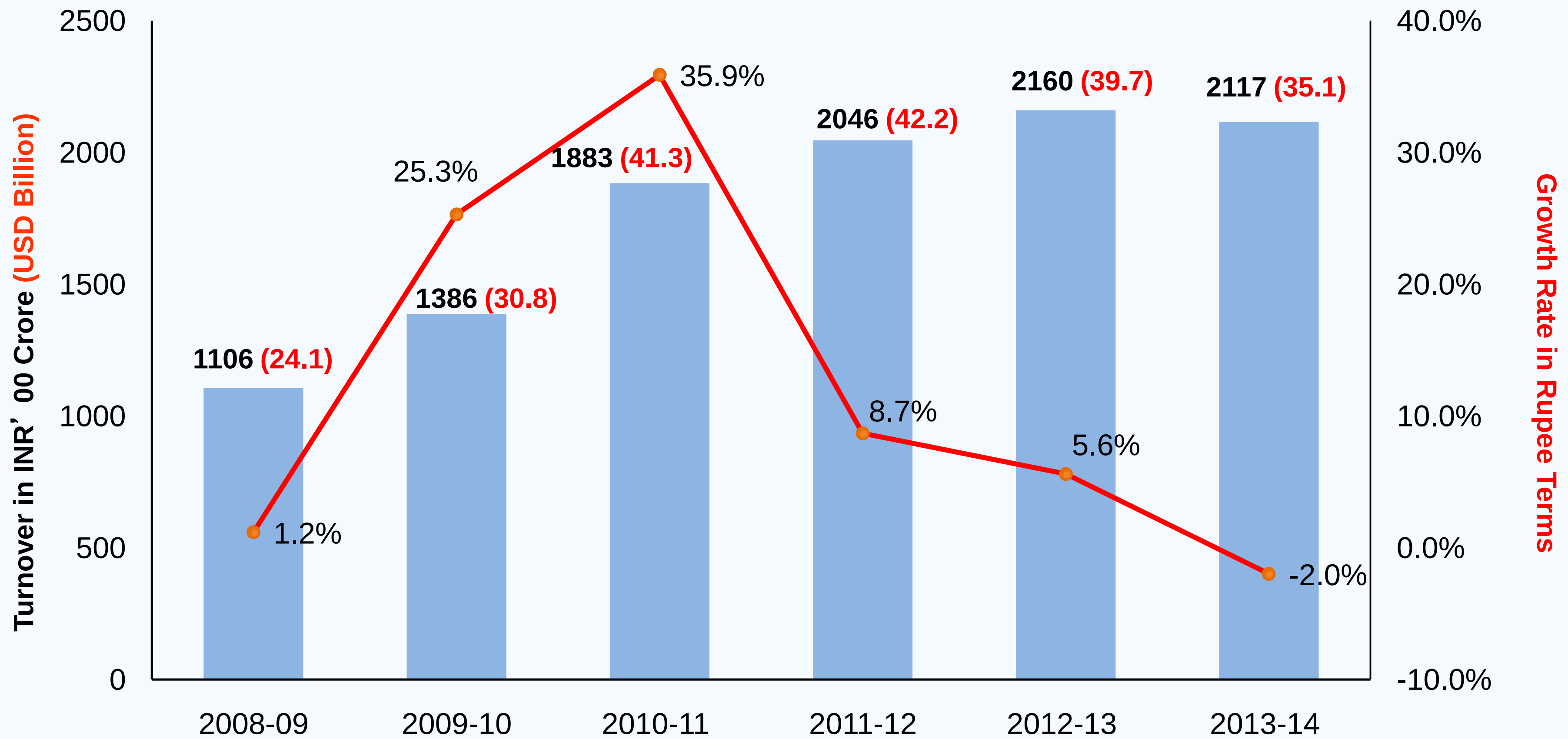
The Indian Auto Component Industry: Performance Review 2013-14

Media Briefing
17th July 2014

Automotive Component Manufactures Association of India

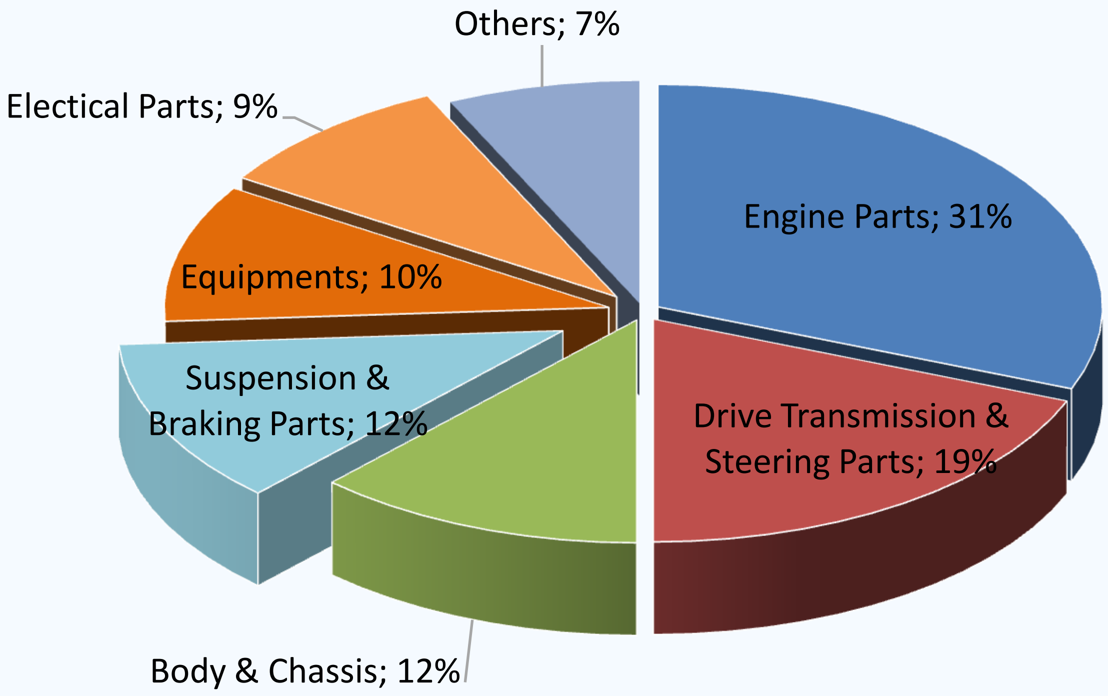
Turnover - Auto Component Industry: 2009-14

CAGR: 14% (2009 -14)



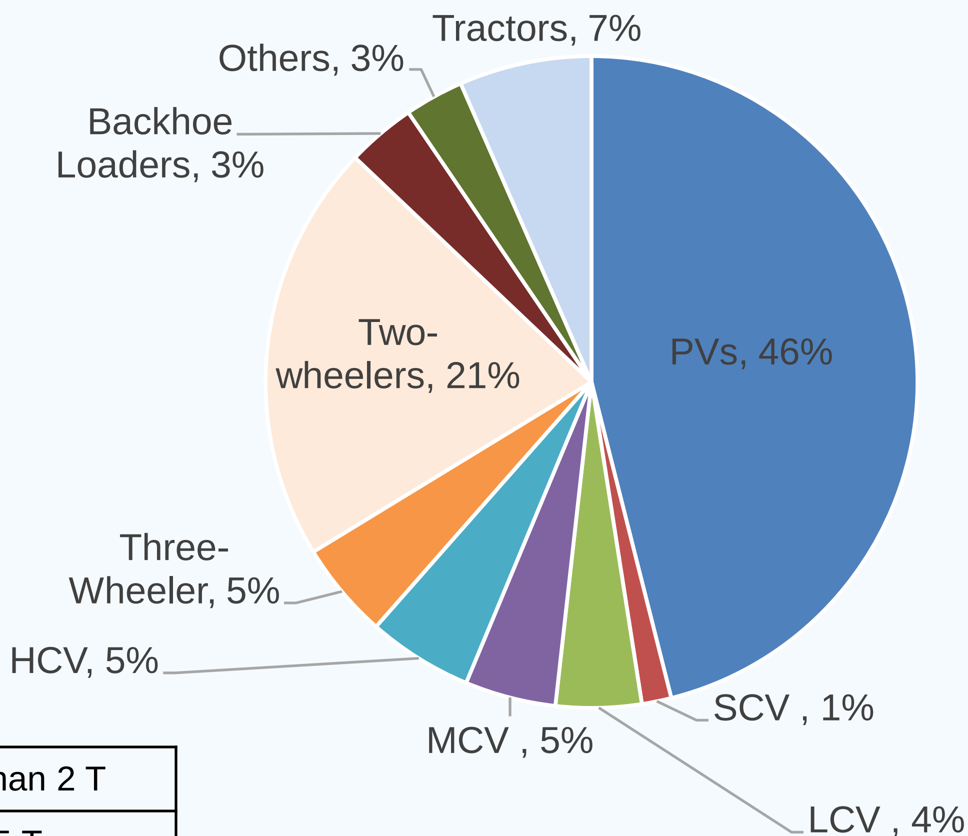
(Turnover includes supplies to OEMs, aftermarket sales and exports)

Product Range - Auto Component Industry



The Industry produces **High Quality – Low Cost Components** in all product segments.

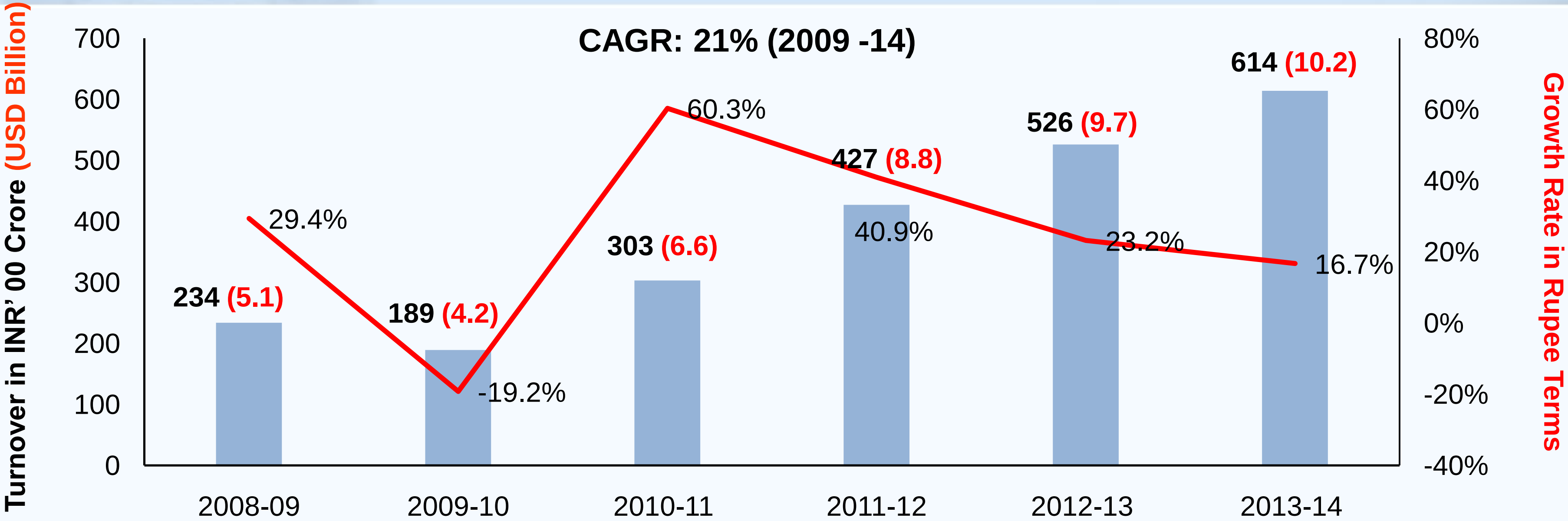
Auto Components Supply to OEMs

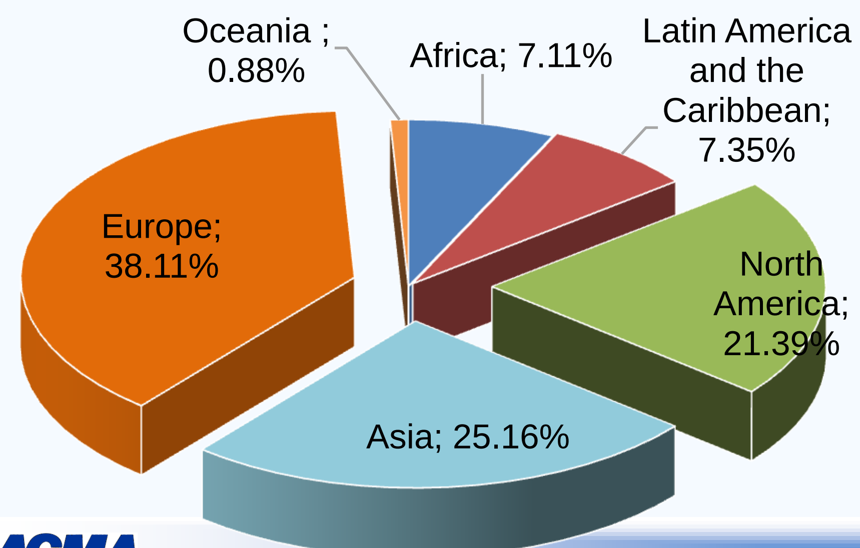


SCV	Less than 2 T
LCV	2 to 7.5 T
MCV	7.5 to 16 T
HCV	More than 16 T

OEMs consumption includes locally produced Components and Imports

Exports - Auto Component Industry: 2009-14





Export Destinations: Top 10 Countries in %

USA	20.50	Brazil	4.03
Germany	8.08	Thailand	3.41
UK	6.16	France	3.32
Turkey	5.20	China	3.04
Italy	4.93	UAE	2.77

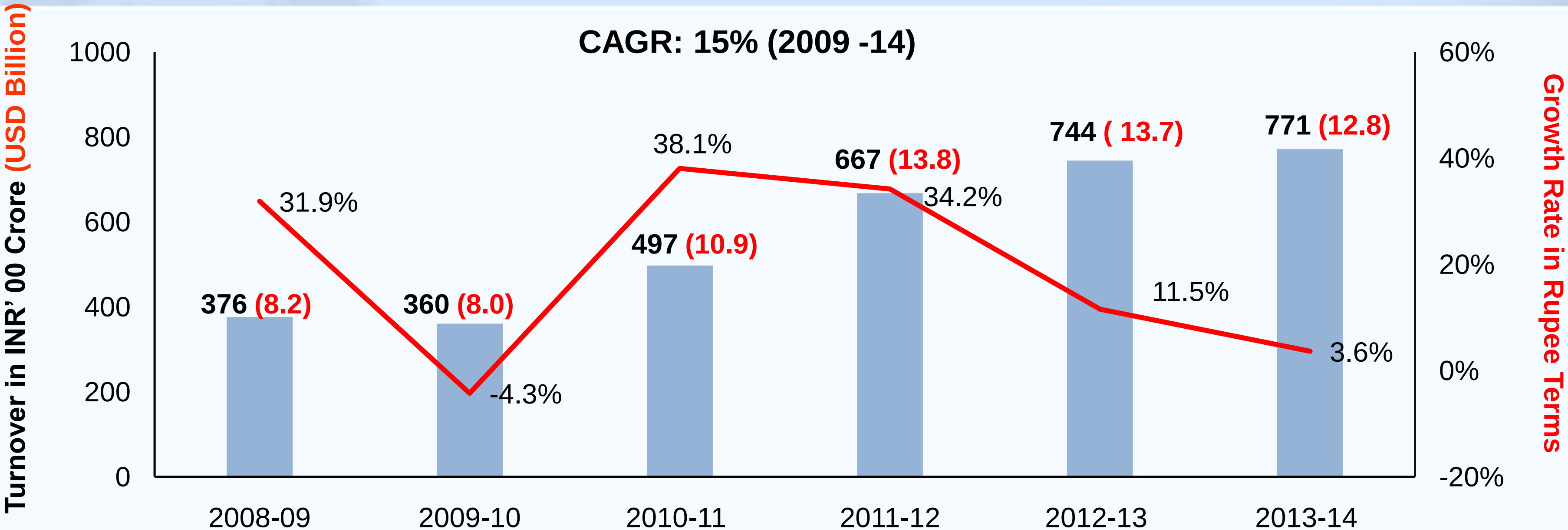
Top 20 Auto Components Exports

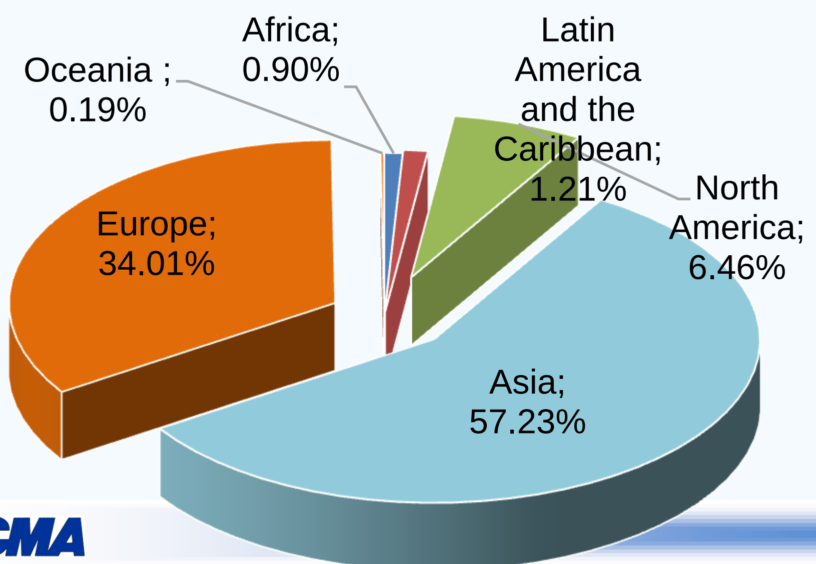
- Hydraulic Power Steering Systems & Steering Gear Systems and Parts
- Gear boxes and parts thereof
- Wheels and Components for Construction & Earthmoving Equipments
- Drive-axles and parts thereof
- Gas compressors: Turbo chargers
- Crank shaft for engines
- Parts for automobiles and earth moving Equipment
- Brakes and servo-brakes; parts thereof
- Spark Ignition
- Toothed wheels, other transmission parts
- Suspension systems and parts thereof
- Air-conditioning equipment
- Road wheels and parts & accessories thereof
- Starter motors & generators
- Parts-air conditioning machines
- Brake linings & pads
- Valves, inlet and exhaust
- Head lamps and other lighting Equipments
- Radiators & parts thereof
- Injection pumps for diesel engines

OEM/TIER 1 account for 80%; Aftermarket for 20%

(Illustrative List)

Imports - Auto Component Industry: 2008-14

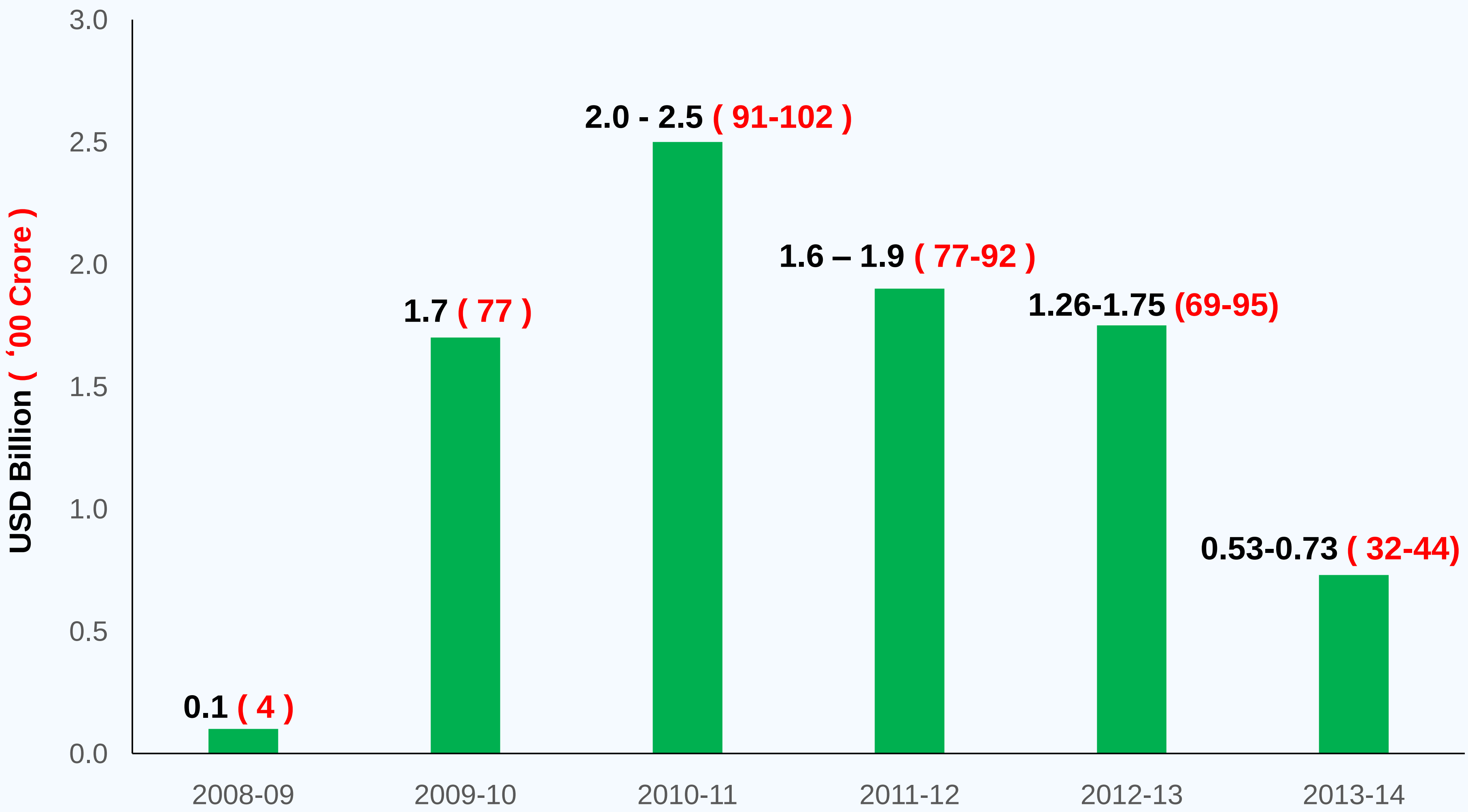




Origin of Imports: Share of Top 10 in %

China	20.97	USA	6.29
Germany	14.97	Italy	3.65
Japan	12.44	France	2.42
South Korea	11.97	UK	2.26
Thailand	7.46	Spain	2.17

Capital Investment - Auto Component Industry: 2009-14



ACMA

Challenges

- High Cost of Capital impacting Growth
- Capacity Utilization
- Infrastructure Challenges & Cost
  - Roads
  - Ports
  - Power
- Imports - higher than exports
- Combating the Problem of Counterfeit Parts
- Availability of Skilled Manpower
- Building R&D Competence and Ecosystem

Need for Long Term Policy to Enable Growth

Summary

Figures in INR' 00 Crs

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Turnover	1,106	1,386	1,883	2,046	2,160	2,117
Growth rate(%)	1.2	25.3	35.9	8.7	5.6	-2.0%
Export	234	189	303	427	526	614
Growth rate(%)	29.4%	-19.2%	60.3%	40.9%	23.2%	16.7%
Import	376	360	497	667	744	771
Growth rate(%)	31.9%	-4.3%	38.1%	34.2%	11.5%	3.6%
Investment	4	77	91-102	72-92	69-95	32-44

Summary

Figures in USD Billion

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Turnover	24.1	30.8	41.3	42.2	39.7	35.1
Growth rate(%)	-11.4%	27.8%	34.1%	2.2%	-5.9%	-11.5%
Export	5.1	4.2	6.6	8.8	9.7	10.2
Growth rate(%)	13.3	-17.6	58.6	32.3	9.9	5.4
Imports	8.2	8	10.9	13.8	13.7	12.8
Growth rate(%)	15.5	-2.4	36.3	26.2	-0.6	-6.3
Investment	0.1	1.7	2-2.5	1.6-1.9	1.2-1.7	0.53-0.73

Thank You

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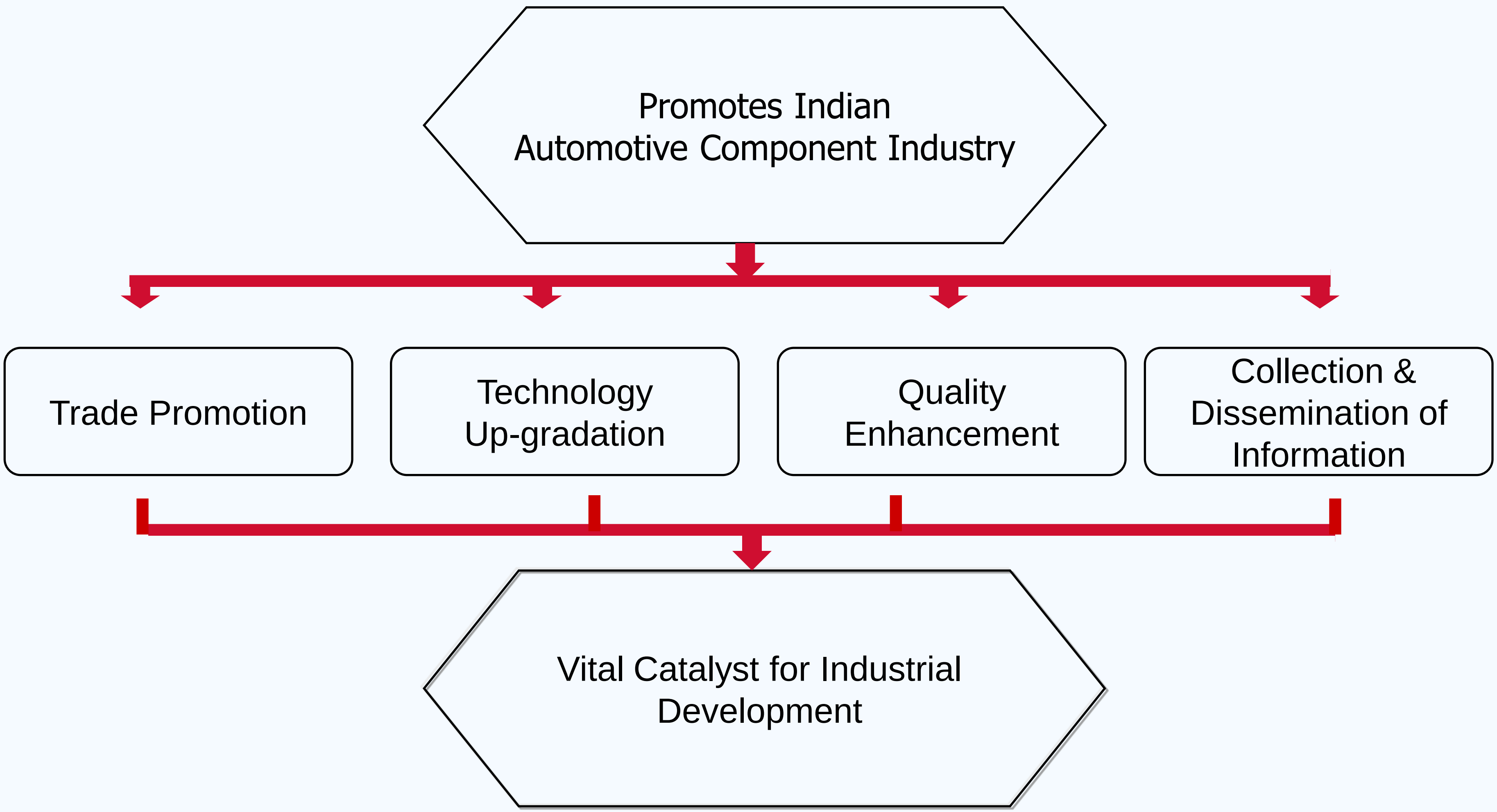
About ACMA

- Established in 1959
- Apex body of Auto Component Industry in India
- 700+ members from the Organized sector
- Represents 85% of the Industry by turnover
- Represented on all Government and Industry bodies strategic to the Auto Sector
- Offices across all Regions in the Country
- An ISO 9001-2008 Institution

ACMA – Excellence in Service Delivery

ACMA Services



ACMA Centre for Technology (ACT)

ACT focuses on providing technical services to ACMA members for improving process and quality capabilities through Cluster Programmes

<u>ACT Clusters for Company Level Engagement</u>

- ACT SME Cluster
- ACT UNIDO Partnership Program
- ACT SME Advance Cluster
- ACT Foundation Cluster
- ACT Advance Cluster
- ACT Engineering Excellence Cluster