

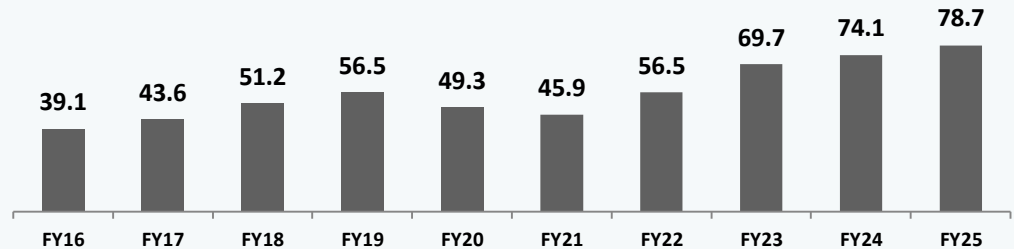


AUTO COMPONENTS



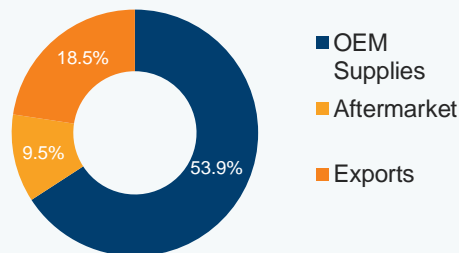
MARKET SIZE

Aggregate turnover (US\$ billion)

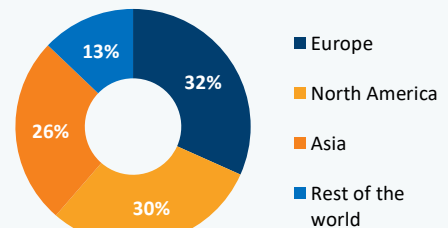


SECTOR COMPOSITION

Share in Turnover of the Auto Components Industry (FY25)

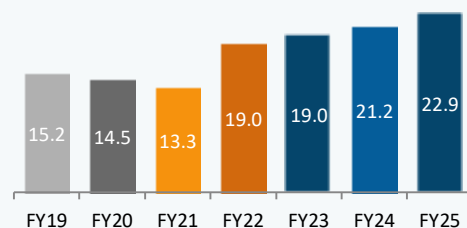


Share of Export by Geography (FY25)

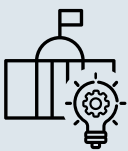
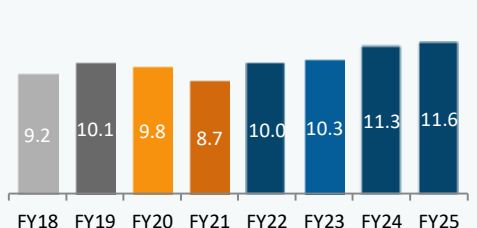


KEY TRENDS

Value of Auto Component Export (US\$ billion)



Value of Aftermarket Turnover (US\$ billion)



GOVERNMENT INITIATIVES



National Mission for Electric Mobility 2020



NATRIP



Automotive Mission Plan 2026



ADVANTAGE INDIA

- Robust demand:** India's auto-component industry is poised to reach US\$ 200 billion by 2030, supported by its cost competitiveness, skilled workforce, and growing domestic demand, according to a McKinsey report titled Shaping the future of India's auto component industry. Growing working population and expanding middle class are expected to remain key demand drivers. Due to an ongoing shift in global supply chain, India is witnessing robust demand for auto components.
- Export Opportunities:** India is emerging as a global hub for auto component sourcing and the industry exports over 25% of its production annually. According to a McKinsey report, India's auto component exports are projected to reach US\$ 70-100 billion by FY30, driven by rising demand for electric vehicle (EV) technologies and global supply chain diversification. Indian SMEs could capture US\$ 20-30 billion of this opportunity by leveraging cost advantages and high-quality standards.
- Policy support:** 100% FDI is allowed under the automatic route for auto components sector. The Indian automobile sector saw transformative growth in 2025 driven by GST cuts on small cars (from 28% to 18%), expanded low-GST EV portfolios (5%), and government EV incentives promoting local manufacturing and global OEM entry. The Production Linked Incentive (PLI) scheme is boosting investments in advanced automotive technologies and supply chain localization.
- Competitive Advantages:** India's Automotive Mission Plan 2047 aims to boost vehicle production to 50 million by 2030 and 200 million by 2047, positioning India among the top two global auto producers. It prioritizes sustainable vehicle production with hydrogen, electric, CNG, and biogas, while not curbing petrol or diesel vehicles immediately. A cost-effective manufacturing base keeps costs lower by 10-25% relative to operations in Europe and Latin America.