

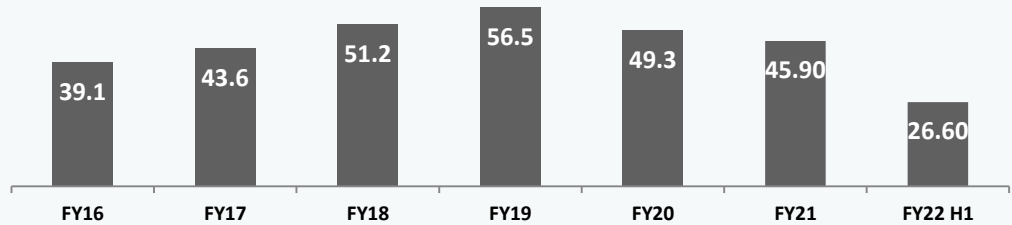


# AUTO COMPONENTS



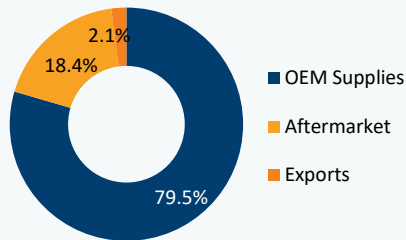
## MARKET SIZE

Aggregate turnover (US\$ billion)

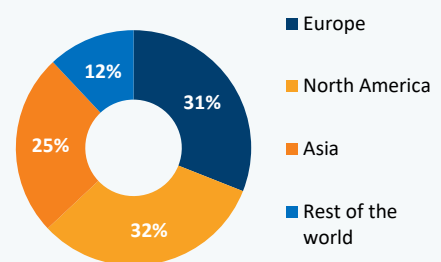


## SECTOR COMPOSITION

Share in Turnover of the Auto Components Industry (FY21)

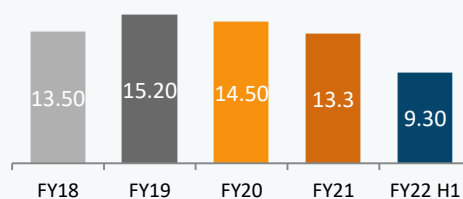


Share of Export by Geography (FY21)

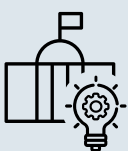
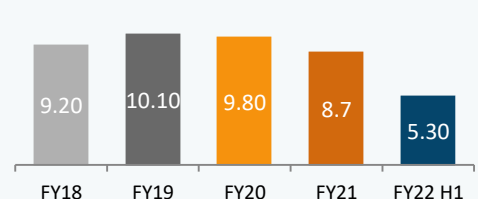


## KEY TRENDS

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:** Growing working population and expanding middle class are expected to remain key demand drivers. Reduction in excise duties in motor vehicles sector will spur the demand for auto components. By 2025, 4 million of EVs could be sold each year and 10 million by 2030. The market is expected to reach US\$ 206 billion.
- Export Opportunities:** India is emerging as a global hub for auto component sourcing and the industry exports over 25% of its production annually. Auto component exports are expected to grow at 23.9% annually to reach US\$ 80 billion by 2026. India has a competitive advantage in auto components categories such as shafts, bearings and fasteners due to large number of players.
- Policy support:** 100% FDI is allowed under the automatic route for auto components sector. In February 2022, the government has received investment proposals worth Rs. 45,016 crore (US\$ 6.04 billion) from 20 automotive companies under the PLI Auto scheme. This scheme is expected to create an incremental output of Rs. 2,31,500 crore (US\$ 31.08 billion).
- Competitive Advantages:** A cost-effective manufacturing base keeps costs lower by 10-25% relative to operations in Europe and Latin America.