

ACMA

Press Conference

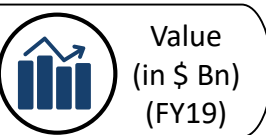
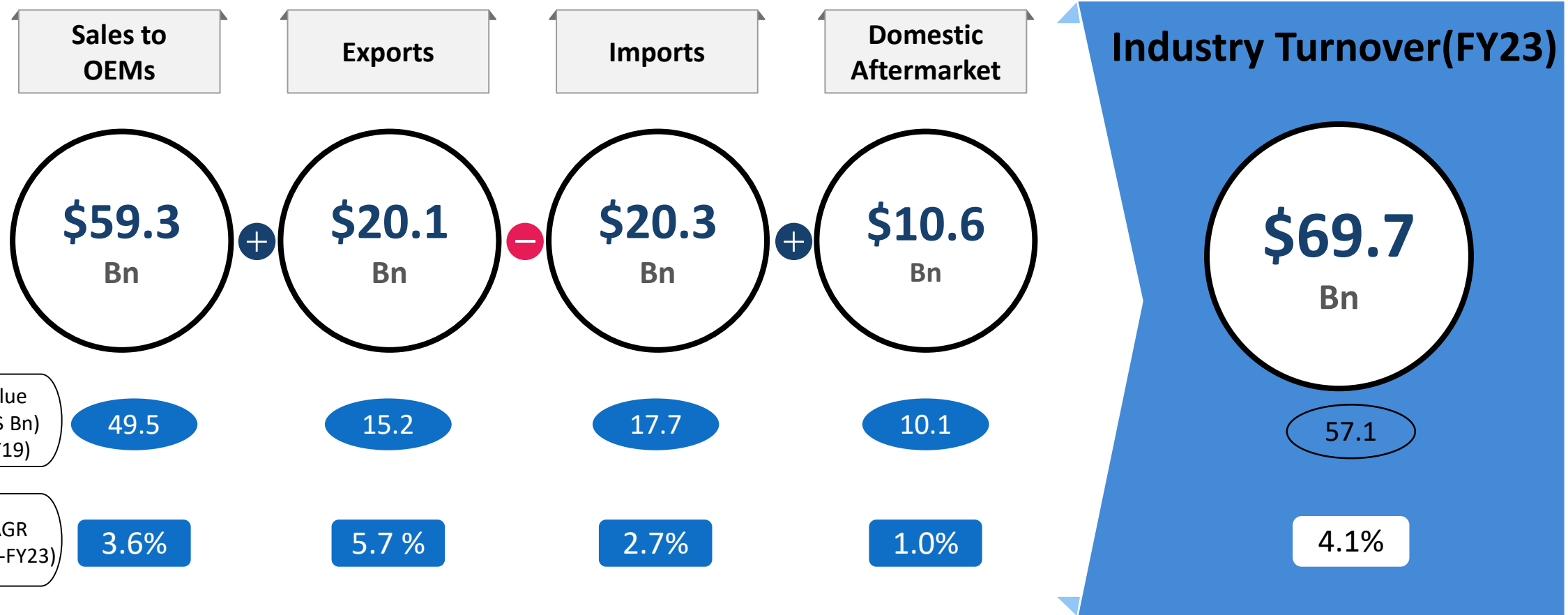
Auto Components Industry Review

H1 FY 2023-2024

20th December 2023, New Delhi

FY 19-23: Overview of the Indian auto component industry

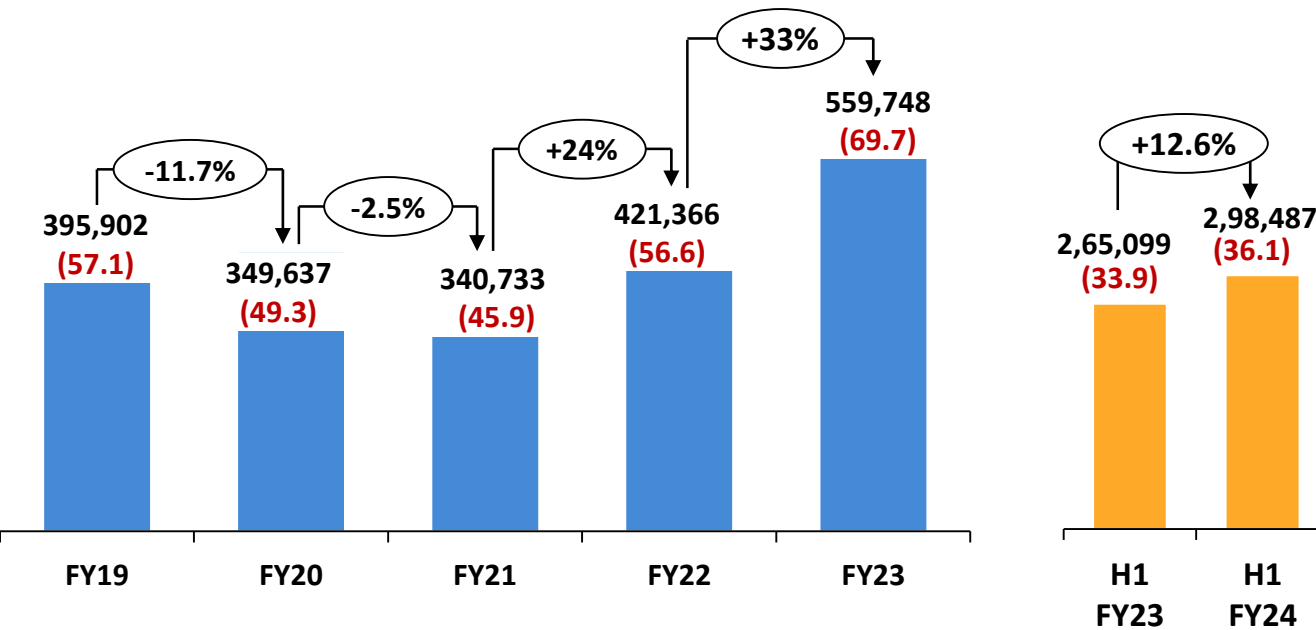
Auto Component Industry growth over last 5yrs driven by robust domestic vehicles sales, strong aftermarket and increasing exports.



H1 FY 24: Auto Components Industry Performance

Size of industry | INR Cr (USD Bn)

Growth % taken against INR Values



Auto components industry performance

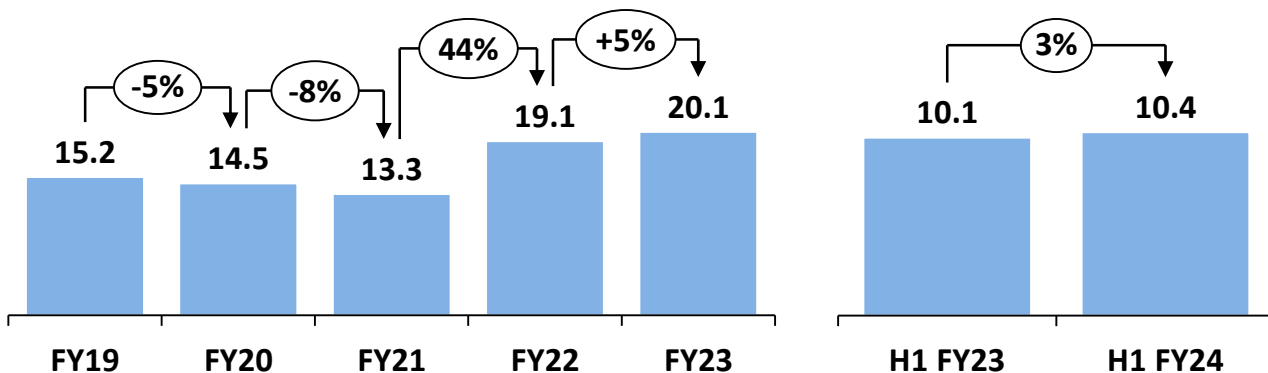
- The growth is led by an increase in value of sales of auto-components to OEMs
- Trade deficit for auto-components was \$ 200 million, similar that of H1 FY23.
- Electric vehicles² sale rose by more than 50% in H1 FY24 as compared to H1 FY23.
- **Shift in preferences:** Customers have started to move towards **larger/more powerful vehicles** across all segments;
 - UVs (amongst PVs) – 57% in H1 FY24 (vs. 49% share of volume in H1 FY23)
 - M&HCVs (amongst CVs) – 35% in H1 FY24 (vs. 34% share of volume in H1 FY23)
 - 2W - ~70% increase in sales of motorcycles with engine capacity between 200cc to 250cc

Notes: 1 - excludes tyres, paints, powder coating, batteries & consumables

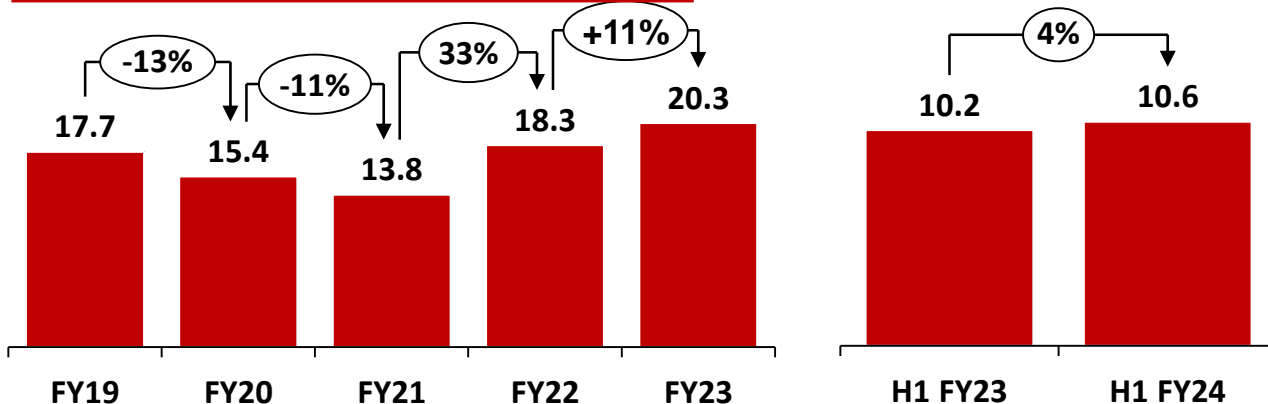
2 - EVs include only Li ion battery operated vehicles. Cost of Li ion battery excluded from component consumption calculations

H1 FY 24: Exports & Imports - Balance of Trade

Total Exports | \$ Bn.



Total Imports | \$ Bn.



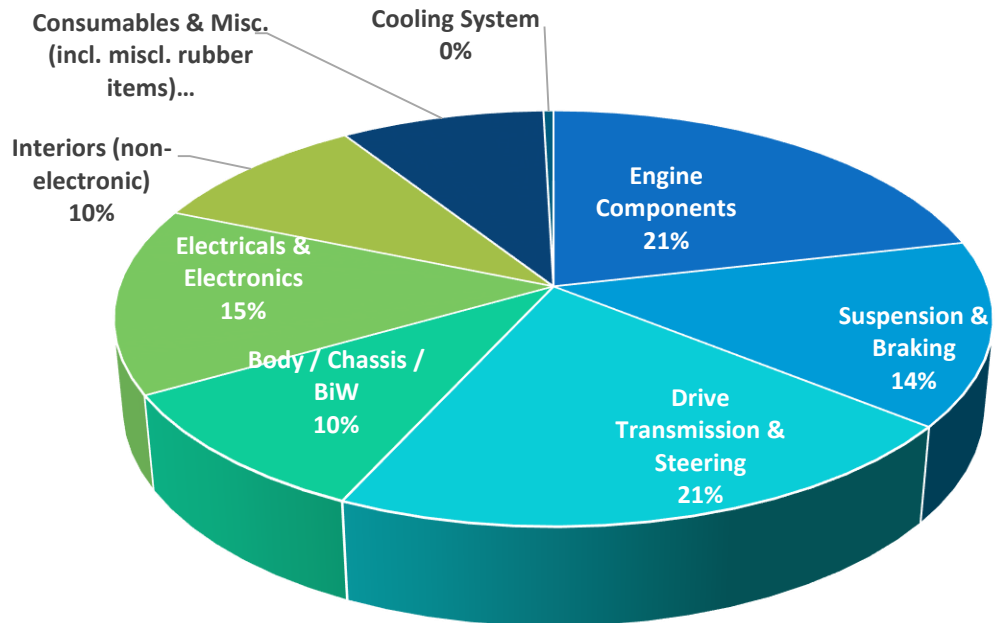
EXIM performance

- Exports grew by 3% and imports surged by 4% (vs. H1FY23).
- Global trade underperformed due to the economic slowdown in European markets, higher inflation rates, and a tentative geopolitical outlook
- Exports to South Asia (Bangladesh, Nepal, and Sri Lanka) have declined owing to muted economic activity in the region.
- The trade deficit further surged due to the decreasing value of the Indian Rupee against the USD

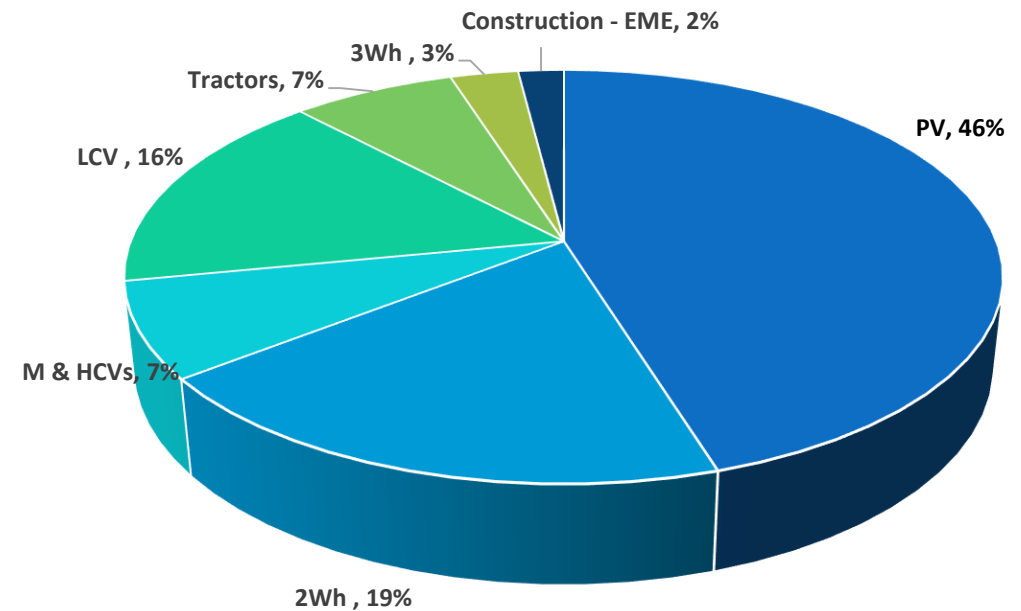
H1 FY 24 : Sales to OEMS

Overall Component Sales By Category:

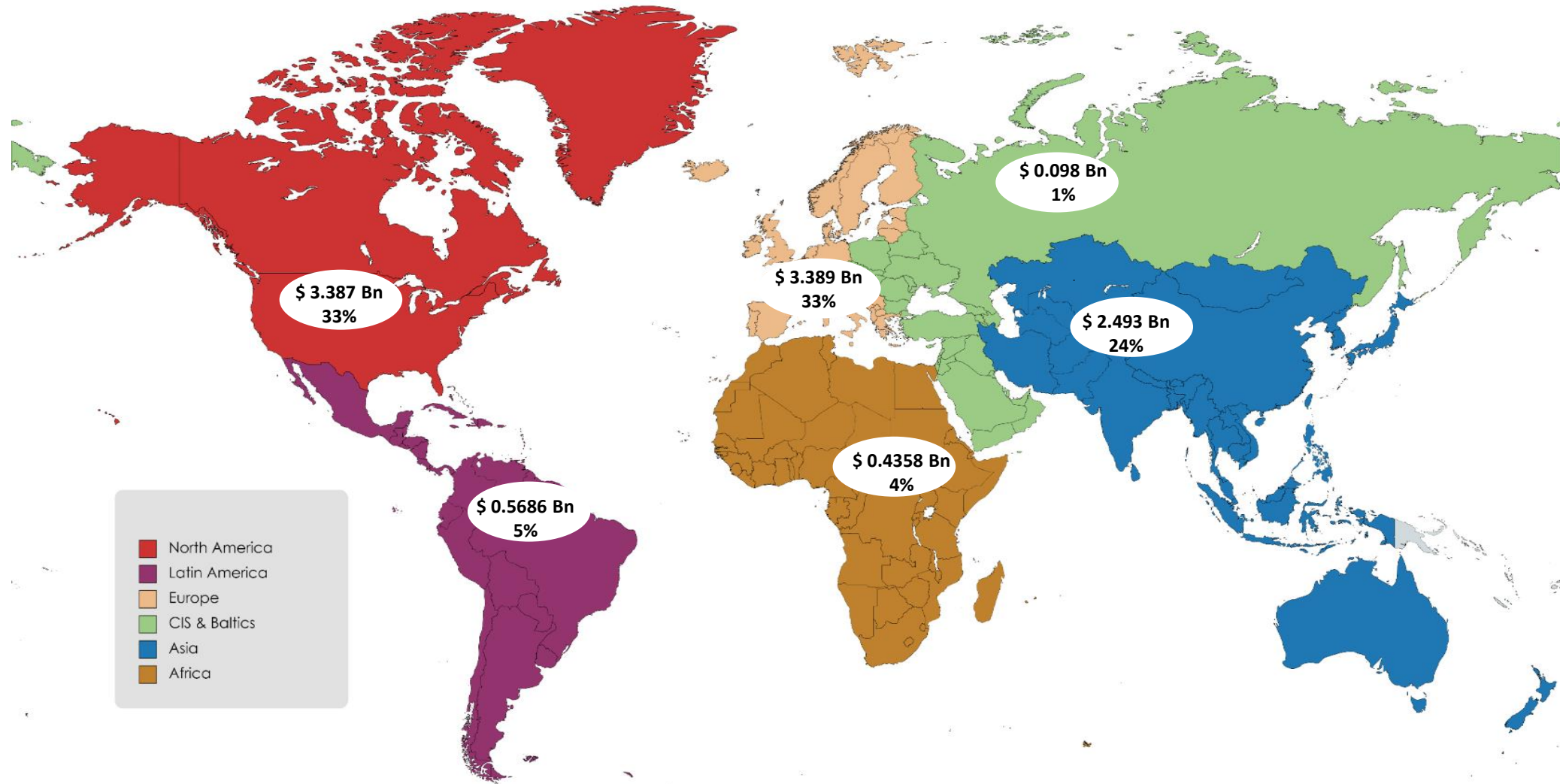
Includes Sales to OEMs, Aftermarket, and Balance of Trade



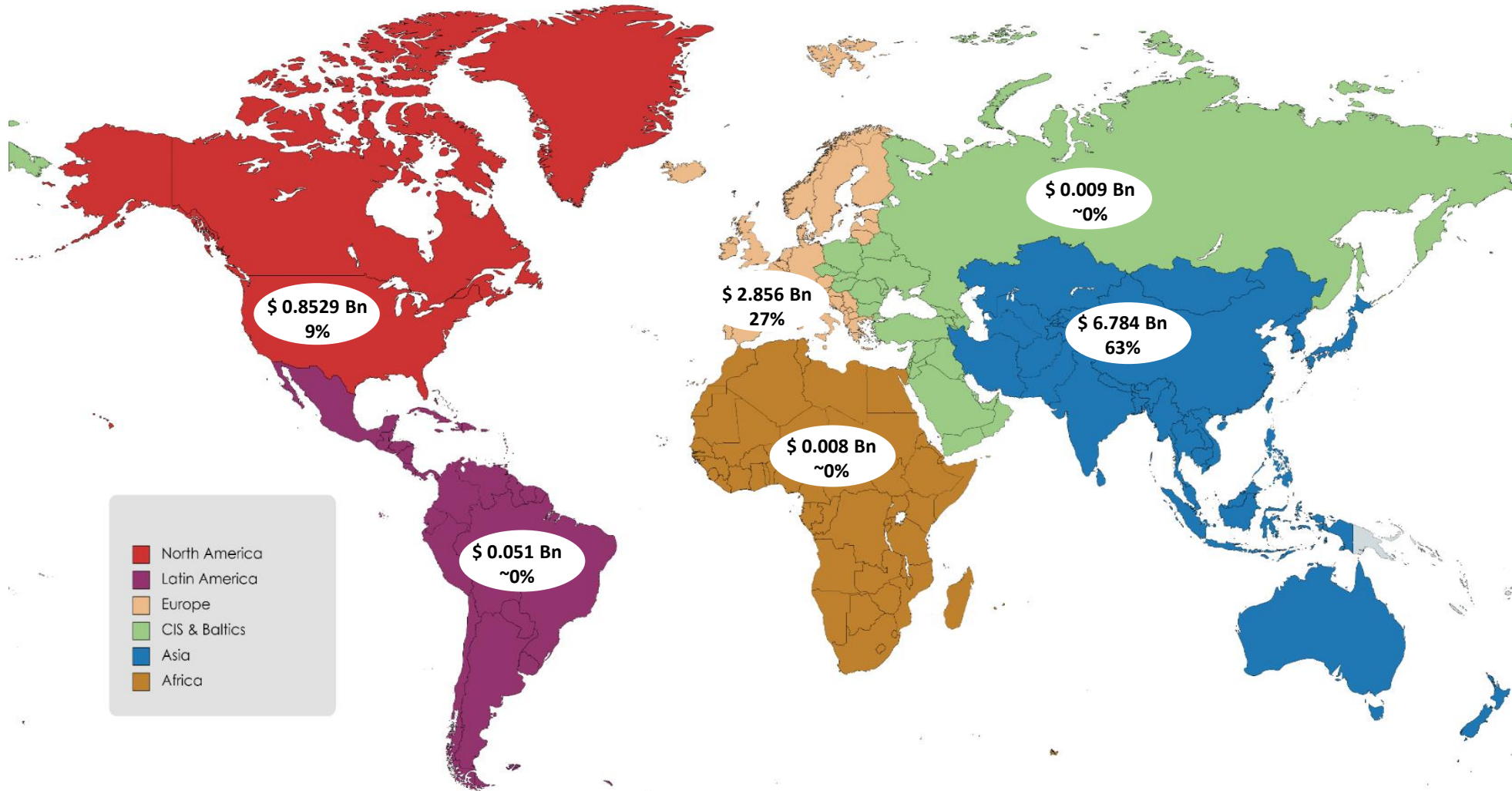
Component Sales to OEMs By Segment:



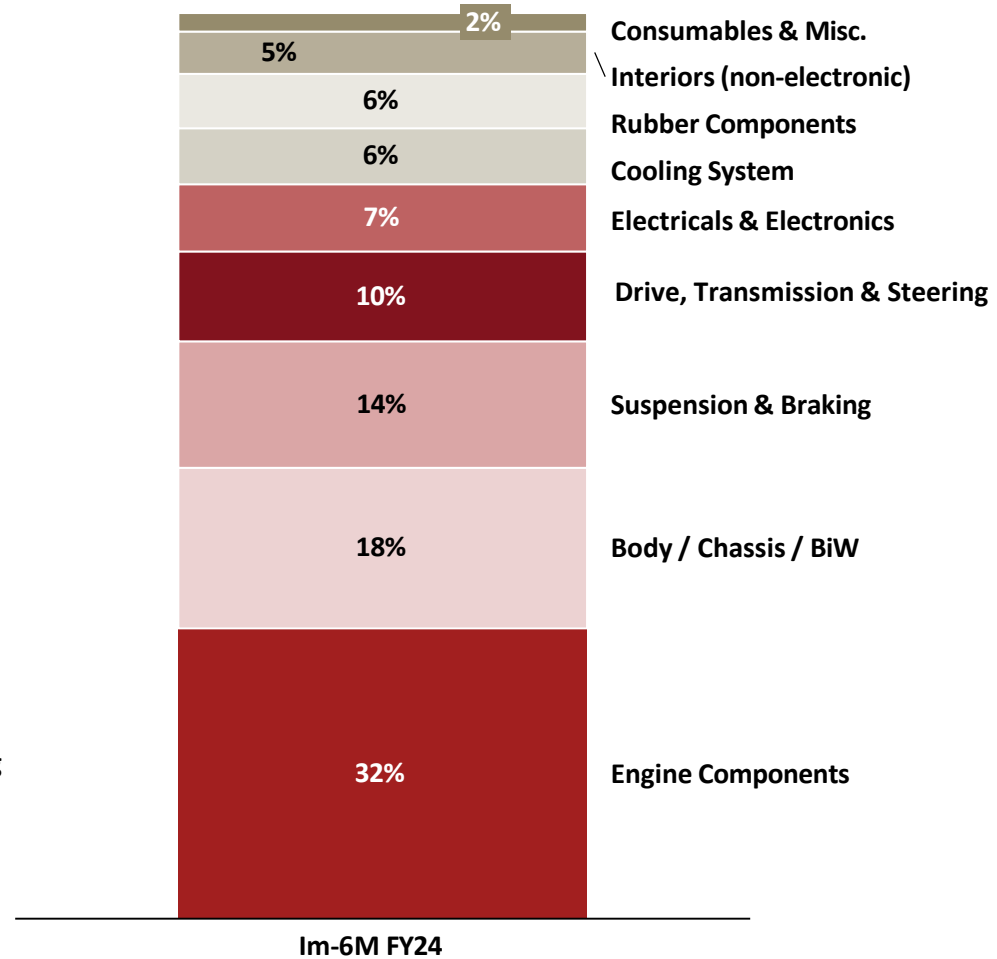
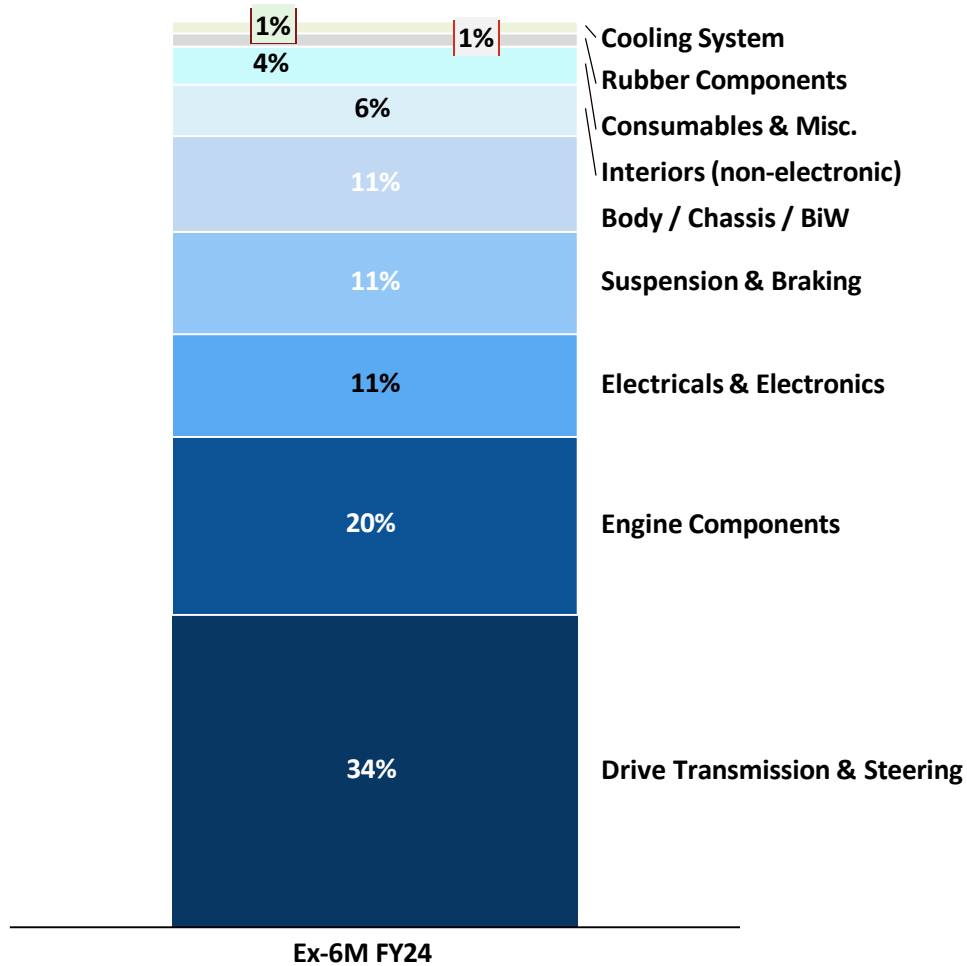
H1 FY 24: Region wise Exports



H1 FY 24: Region wise Imports

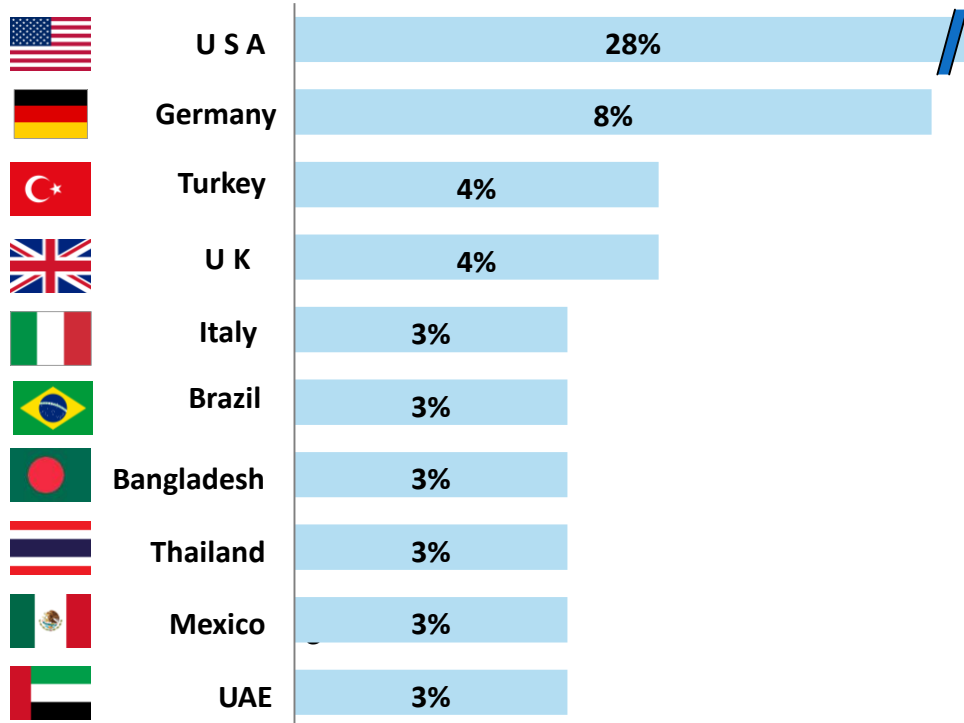


Exports & Imports: Segmentation by product type

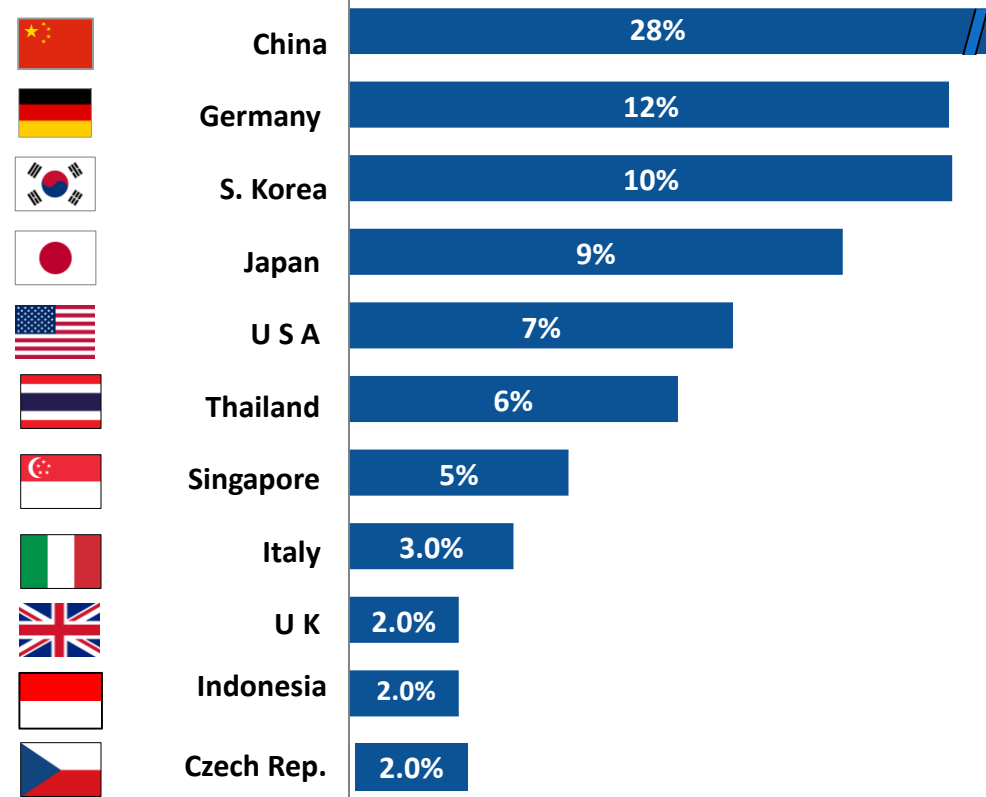


Country wise: Exports & Imports

Exports (% of Total)



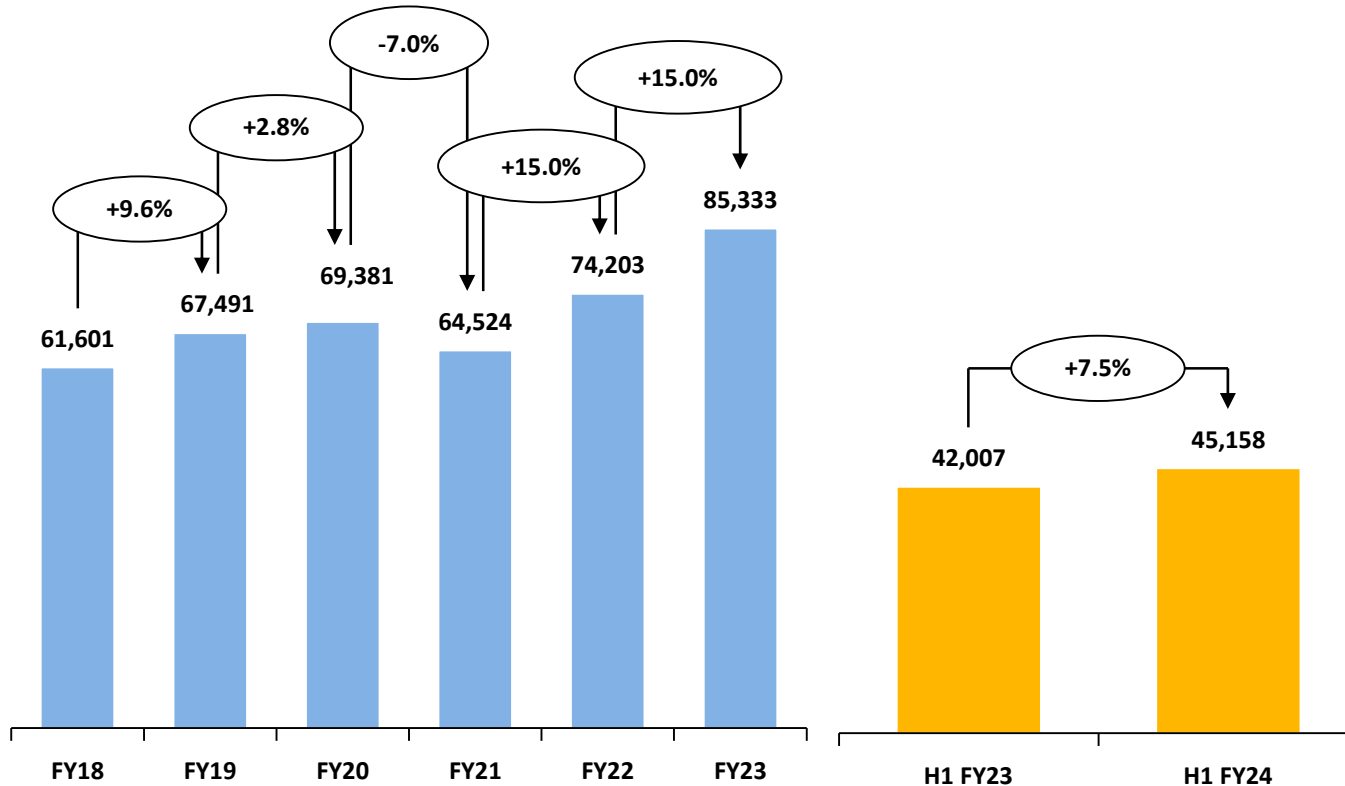
Imports (% of Total)



H1 FY 24 : Aftermarket

Aftermarket grew by 7.5% due to an increase in used vehicle parc and continued formalization of the repair & maintenance market

Aftermarket | INR Cr



Aftermarket

- The **usage of vehicles** – for personal as well as commercial use increased as the market continues to stabilize following the pandemic
- The growth in the aftermarket industry can be attributed to three main factors;
 - **Rise in demand for used vehicles**
 - **Shift in preferences towards larger/more powerful vehicles,**
 - **Increasing formalization of the repair and maintenance market**

Summary: H1 FY 2024 vs H1 FY 2023

Figures in INR Crore	H1 FY 2023	H1 FY 2024	Growth Rate
Auto Components Supply to OEMs	223,874	254,885	13.9%
Aftermarket	42,007	45,158	7.5%
Exports	79,033	85,870	8.7%
Imports	79,815	87,425	9.5%
Industry Turnover	265,099	298,487	12.6%

Figures in USD Billion	H1 FY 2023	H1 FY 2024	Growth Rate
Auto Components Supply to OEMs	28.6	30.8	7.7%
Aftermarket	5.4	5.5	1.7%
Exports	10.1	10.4	2.7%
Imports	10.2	10.6	3.6%
Industry Turnover	33.9	36.1	6.5%

Headwinds and Tailwinds

Tailwinds

- High estimated GDP growth for FY 2024
- Domestic Vehicle demand continues to be robust
- Emphasis on infrastructure development
- Stable international demand/Exports
- Focus on clean and new technology
- New entrants in mobility space
- Govt Focus: Carbon Neutrality

Headwinds

- Geo-Political uncertainties
- Recessionary trends in Europe & US
- High GST rates on auto components

We are hopeful of continued positive growth in short to mid term future

Thank You



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