

News monitored for: ACMA

‘Auto parts sector grew 18.3% despite hurdles’

Exports rise 23.9% to ₹90,571 crore

SPECIAL CORRESPONDENT
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India’s auto component industry grew to ₹3.45 lakh crore in the 2017-18 financial year, a growth of 18.3% year on year, data released by the Automotive Component Manufacturers Association of India (ACMA) shows.

“The year gone by witnessed an upswing in the overall performance of the vehicle industry, despite it facing several regulatory challenges. The component industry posted an encouraging performance with significant growth,” said Vinnie Mehta, director general, ACMA. Exports grew by 23.9% to ₹90,571 crore (\$13.5 billion) from ₹73,128 crore (\$10.9 billion) in 2016-17. Europe accounted for a

maximum of 34% of exports, followed by North America and Asia, which accounted for 28% and 25% respectively.

Seeking “supportive government policies” to stay relevant, Nirmal Minda, president at ACMA said: “The dynamics of the automotive market is undergoing a significant transformation as the sector strives to become compliant to various regulations related to emissions, safety and environment, including the transition from BS-IV to BS-VI...”

He added one of the industry’s key demands has been a uniform 18% GST across the auto component sector. Currently, 60% of auto components attract 18% while the rest attract 28%.