

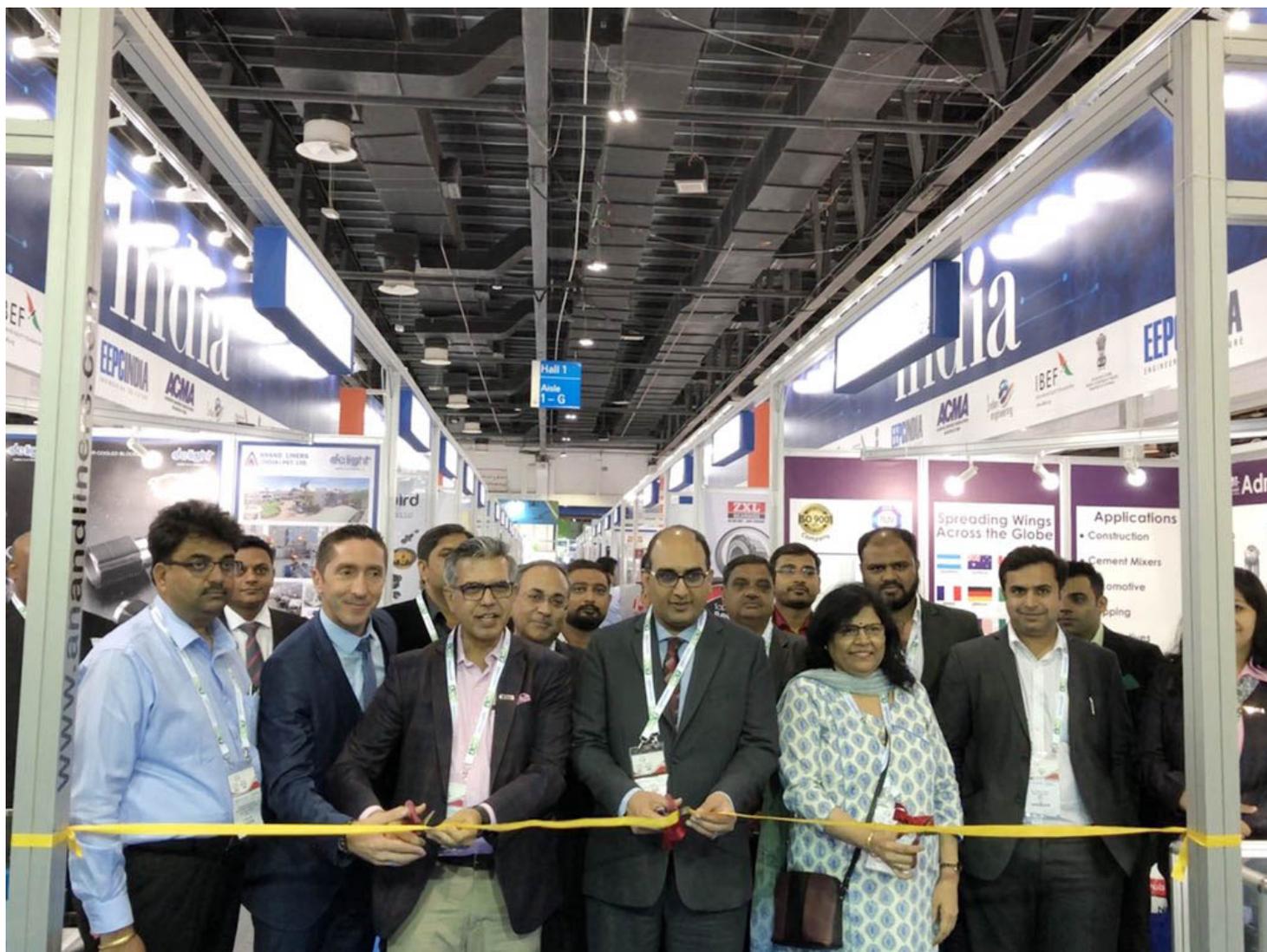
Indian component manufacturers pack a punch at Automechanika Dubai 2018

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The Automechanika Dubai, the Middle East edition of the world's largest automotive trade fair, has begun yesterday and India is one of the biggest participants. This is the fifth consecutive year that Indian companies are exhibiting at this key industry event.

Of the 100-strong Indian contingent of suppliers, there are 50 ACMA member companies and an equal number from the Engineering Export Promotion Council of India (EEPC). The Indian exhibitors are showcasing their latest in aftermarket products, technologies and capabilities. Dubai being one of the important gateways for trade, it is expected that 90 percent of exhibitors and 52 percent of visitors will be from overseas.

Speaking at the trade fair, Nirmal K Minda, president, ACMA, said, "One of ACMA's pillars is business development for the members, under which every year we conduct nine exhibitions across the world and the Dubai show is one of them. As we know, Dubai is the gateway for markets like Pakistan, Afghanistan, Middle East and South Africa. This time around, we have 100 exhibitors from India and they have been receiving very good footfalls and business inquiries. It makes me proud that we, together as ACMA, are working to support the members for the improvement of their businesses and for India in a larger sense."



Vinnie Mehta, director general, ACMA, added, "We are thrilled to be a part of one of the most significant automotive trade shows in the United Arab Emirates. The show is going very eventful with a significant footfall, with visitors coming in from the Middle East, Africa and as far as from Afghanistan, Iran, Iraq and Pakistan."

“According to a joint ACMA - Frost & Sullivan study, it has been estimated that light vehicle sales in Middle East will grow at a CAGR of 8 percent, reaching 4.1 million units by 2021, that will put the total number of cars in operation in the region at 41.36 million, compared to an estimated 37 million in 2017.”

“This depicts a huge upside opportunity for the Indian aftermarket component manufacturers to service the vehicle parc. Also, with respect to trade with UAE, India exported US\$ 346 million worth of auto components in 2017 which grew by 12 percent over CY2016,” he added.

Rising exports of components

Being a cost-efficient hub for manufacture of high-quality components, India is fast emerging as a preferred global sourcing base for automotive OEs across the world. Already exporting to over 160 countries, Indian auto components exports are expected to reach US\$ 70-80 billion by 2026. The exports from the industry registered a strong growth of 14 percent on a CAGR basis during 2006-16, growing from being at US\$ 3.2 billion in 2006 to US\$ 10.81 over the 10-year period.

India exports a third of its auto component produce with Europe (36%) emerging as the top destination in FY2017, followed by North America (26%), Africa (6%) and Latin America (4%). Key products shipped out of India include rubber products, steering parts, chassis components, bumpers, and engine and transmission parts to major vehicle manufacturing giants globally.

The auto components industry accounts for almost 4 percent of India's GDP and employs 1.5 million people, directly and as many indirectly. Increased investments in engineering, R&D and new product development, are expected to further boost India's position as a leading supplier for the global industry.

The Automechanika Dubai 2018 is being held at the Dubai World Trade Centre has 25 country pavilions and sees representation from 36 trade associations. EEPC India, along with ACMA, are showcasing India's strengths in the auto components sector, with the India Brand Equity Foundation (IBEF) being the branding partner for India's participation at the event.

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