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| **Automotive Component Manufacturers Association Of India** |

**PRESS RELEASE**

**ACMA’s 60th Annual Convention focusses on *Shaping the New Normal for Auto Component Industry***

* India to become the top automotive manufacturing hub of the world: Shri Nitin Gadkari, Hon’ble Union Minister, Government of India

**New Delhi, September 05, 2019**: Automotive Component Manufacturers Association of India (ACMA), the apex body representing India’s auto component manufacturing industry, today hosted its 60th Annual Convention under the theme “Auto Components Industry- Shaping the New Normal”. Amidst the impact of pandemic, the annual session centered on the future course for the industry, defining pathways to explore new avenues of growth, while building strategies to thrive in the post-COVID world.

The event witnessed participation of over 2000 delegates and eminent dignitaries from the government and ministries, OEMs, industry bodies and think tanks. The event was graced by *Shri Nitin Gadkari, Hon’ble Union Minister for Road Transport & Highways, and MSMEs, Government of India*, *Shri Piyush Goyal, Hon’ble Union Minister for Commerce and Industry and Railways, Government of India* and *Mr Amitabh Kant, CEO, NITI Aayog* who shared their views on Shaping the New Normal for the auto component sector.

ACMA also used the platform to launch its ***mobile application***, which was unveiled by Director General, Mr. Vinnie Mehta. This new application will be a one stop destination for all the users and the industry players for information on the products and services.

In addition to the lively sessions, ACMA in partnership with McKinsey & Co., released a study on “Shaping the New Normal” that gives a strategic roadmap to the industry with newer trends and opportunities in the new normal. The study recommends the auto suppliers to take four key actions that include **Increasing the** **localization** to capture USD12 billion opportunity for import substitution, **Collaborate & Step into adjacent sectors** that involve focus on aftermarket with distinct go-to market strategy**, Optimize to become competitive** to reduce15-20% costand **Enable a winning mindset** by making digital, analytics, and automation a way of working. The study further highlights on the role of Government and industry bodies as a critical differentiator in the sector’s recovery.

Addressing the 60th Annual Session of ACMA**, Shri Nitin Gadkari, Hon’ble Union Minister for Road Transport & Highways, and MSMEs, Government of India**, said, ***“****We know the industry is reeling under tough times and the government is doing its best to address the needs of the industry. We are constantly working to foster growth of MSMEs, develop the road infrastructure and focus on safety guidelines and increase adoption of alternative cleaner fuels in India. We understand that road are critical for the growth of automotive sector and in these challenging times we have been constructing 30 kilometres of roads every day. The Government is also working on 22 green-expressways and the component companies can set up automobile manufacturing cluster next to these expressways. We plan to bring the Scrappage policy which has been a long-standing demand from the industry within a month. We believe that the auto industry has reached international standards and we will soon become the top automotive manufacturing hub in the world.”*

**Shri Piyush Goyal, Hon’ble Union Minister for Commerce and Industry and Railways, Government of India, said, “***ACMA has been the forefront of shaping the new normal. This indeed is a great time to bring in positivity and I see the auto component industry as becoming champions of the Atmanirbhar Bharat. We must now foster a spirt of collaboration, cooperation and commitment to grow and compete with the rest of the world. I am confident, that with a collaborative approach and working with stakeholders and suppliers, the auto component industry is on the road to success.”*

**Mr Amitabh Kant, CEO, Niti Aayog, said, “***The current times has been challenging which has given a huge opportunity to adapt and leapfrog to the world of tomorrow. The auto component industry is a strong representation of Atmanirbhar Bharat and we see India’s recovery on the back of automobile and component manufacturing. We must make the Indian companies excel, capture the large domestic market and using it as springboard to penetrate the international market. The future course requires to focus on local manufacturing and across tier 1, 2 and 3 suppliers as we believe all resources and capabilities are available in India. We need to ramp up R&D to create indigenize technology and therefore reduce imports. There is also need for new synergies such as with IT industry in the areas of power electronics. India must look at using the first mover advantage for producing all components for Electric Vehicles, thus driving towards the path of being a future global leader. The Electric vehicles battery prices are set to go below USD 100, throwing a huge opportunity in the sector to localise. Moreover, we also need to reskill our existing workforce with information related to electronics and digitization.”*

**Commenting on the 60th Annual Session, Mr. Deepak Jain, President, ACMA** said, “*Though we have witnessed challenging and inescapable new realities during the COVID19 pandemic, we must now consciously work for the future. In the past month, we have seen a massive rebound to almost 100% in most segments, which is indeed heartening. We now look forward to the upcoming festive season and the industry to achieve a significant level of normalcy by November 2020. With a view to create a sustainable industry, our auto-component manufacturers will have to gear themselves to the realities of a dynamic and volatile environment and reinvent their business models to deal with the new set of challenges.”*

**Mr. Jain** further added*, “This year of resilience has strengthened our spirits and we are confident that we will surpass the current disruptive challenges facing us and create a new paradigm in global quality, manufacturing excellence and sustained competitiveness for an Atma-nirbhar Bharat.”*

Mr. Kenichi Ayukawa, President, SIAM and MD&CEO, Maruti Suzuki and Mr Uday Kotak, President, CII and MD&CEO, Kotak Mahindra Bank, attended the inaugural session as Guests of Honor. The keynote for the session was delivered by Dr. Pawan Munjal, CMD & CEO, Hero Motorcorp. The welcome address and the concluding remarks for the first session were delivered by Mr Deepak Jain, President, ACMA & CMD, Lumax Industries and Mr Sunjay J Kapur, Vice President, ACMA and Chairman, Sona Comstar respectively.

The Special Plenary Session was addressed by Mr O Suzuki, Chairman, Suzuki Motor Corporation and Mr T Suzuki, President & COO, Suzuki Motor Corporation; Mr Guenter Butschek, MD & CEO, Tata Motors. The theme session on Shaping the New Normal was presented by Mr. Shivanshu Gupta, Senior Partner, Mackinsey & Company and the keynote for the session was delivered by Dr Pawan Goenka, MD, Mahindra & Mahindra.

The Annual session also had a panel discussion which was attended by Mr Rajan Wadhera, Past President, SIAM and Senior Advisor, Mahindra & Mahindra; Mr Vipin Sondhi, MD & CEO, Ashok Leyland; Mr Abhimanyu Munjal, Jt. MD & CEO, Hero Fincorp; Mr Nikunj Sanghi, Chairman, ASDC and MD, JS Fourwheel Motors; Mr Arvind Balaji, Past President, ACMA and Jt. MD, Lucas TVS and Mr Soumitra Bhattacharya, President & MD, Bosch India.

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**About ACMA:** The Automotive Component Manufacturers Association of India (ACMA) is the apex body representing the interest of the Indian Auto Component Industry. Its membership of over 850 manufacturers contributes more than 90% of the auto component industry’s turnover in the organized sector. ACMA is an ISO 9001:2015 Certified Association.

The Indian Auto-Component Industry witnessed a growth of 14.5% posting a turnover of Rs. 3,95,902 crore (USD 57.10 billion) in the FY 2018-19. While the exports showed a growth of 17.1% scaling to Rs. 106,048 crore (USD 15.16 billion) in FY 2018-19. The Aftermarket grew by 9.6% to Rs. 67,491 crore (USD 10.1 billion) from Rs 61,601 crore (USD 9.2billion) in the previous fiscal

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