

# 'Export of auto parts must hit \$100 bn by 2030'

There is a need to have a task force solely for automotive exports in order to boost the export of components to \$100 billion by 2030 from \$20 billion now. Also, by then 25 per cent of the automobiles made here should be exported, said **PAWAN GOENKA**, chairman, Steering Committee for Advancing Local Value-Add and Exports (SCALE), under the commerce ministry, at the 63rd Siam Convention. Speaking to **Sohini Das** in New Delhi, Goenka said startups were playing a huge role in the transition to EVs. Edited excerpts.

## How can automotive exports from India pick up?

We are used to double-digit growth in India. I don't think 13-15 per cent growth can happen without exporting. Our export should be at least triple of what it is today.

A lot of work is happening on localisation. The Society of Indian Automobile Manufacturers and Automotive Component Manufacturers

Association are working with SCALE on how to localise what we use in our vehicles.

The automotive industry is the only sector that can bring huge growth in manufacturing and export. We export automotive components worth \$20 billion, which is less than 2 per cent of the global export, and we are number 10 in the pecking order. And 15 per cent of our automobiles manufactured are being exported. Japan, South Korea, and Thailand export more than 50 per cent of the automobiles they manufacture.

The industry needs to set a big target. I will propose component exports of \$100 billion, and 25 per cent of vehicles manufactured in India should be exported by 2030. Business as usual will not make this happen. We need to make it a national mis-

sion. There is a need for a national task force with a singular objective to increase automotive exports.

## How are startups playing a role in local value addition?

In automotive, startups are playing a pretty significant role in the transition to electric vehicles. They are playing a big role in two- and three-wheelers but not that big in large buses, trucks, or even passenger vehicles. However, in small commercial vehicles they are indeed playing some part. In electric-mobility service, there are several startups. When startups for electric vehicles began, most were importing and selling here with little value addition.

But now with the government's Faster Adoption and Manufacturing of (Hybrid & Electric Vehicles scheme, there is more local value addition happening. It's the beginning of a journey. Not just startups, but even big original equipment manufacturers are now doing it.



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