

# LIVESTREAM HOUR

## AUTOMOTIVE SUPPLY CHAIN INDIA

Wednesday 22nd April 2020

08:00 EST, 13.00 BST, 14:00 CET, 17:30 IST

[▶ FIND OUT MORE](#)



**ACMA**

Automotive Component Manufacturers Association of India

**ams**



**AUTOMOTIVE**  
FROM **ULTIMAMEDIA**  
Global. Business.Intelligence.

**Automotive**  
**LOGISTICS**

**ams**

**ACMA**

Automotive Component Manufacturers Association of India

# Episode 3: India Supply Chain in Focus

## Running order

- Live Poll
- Brief overview: India supply chain context
- Brief overview: Global crisis developments
- Live Poll
- Panel discussion part 1: Managing & mitigating Covid-19 disruption
- Live Poll
- Panel discussion part 2: India supply chain opportunities post-crisis



# Episode 3: India Supply Chain in Focus. Special guest panel



**Sunjay Kapur**  
Chairman  
Sona Comstar



**Vinnie Mehta**  
Director General  
ACMA



**KV Praveen**  
Director purchasing  
Asia Pacific & BCC  
Meritor



**Vikrampati Singhania**  
Managing Director  
JK Fenner



**Jasjit Sethi**  
CEO  
TCI Supply Chain Solutions



**Host:**  
**Christopher Ludwig,**  
Editor-in-Chief  
Ultima Media

# Supply chain restarts



## China gathers pace...but supply issues loom

- OEMs report increasing activity, with April sales and production expected to improve back to around 75% normal levels
- Government support including EV incentives, lifting new car limits in cities
- China could see disruption in global supply chains: Germany, Japan and South Korea leading parts source
- More focus on local suppliers
- China economy will suffer from export decline
- Significant logistics disruption remains





# Supply chain restarts

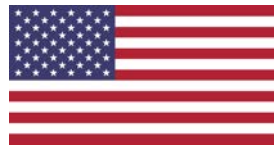


## Europe – a slow return

- Component and powertrain plants coming back online
- Assembly restarts: **Hyundai-Kia** in Czech and Slovakia, **Magna** in Austria, **Renault** in Portugal, **Toyota** in France, **Volvo** in Sweden, Belgium, **VW Group** in Slovakia, Zwickau
- Next week: **Mercedes-Benz** in Germany, **VW Group** in Germany, Czech Republic, Belgium, Portugal, Spain, **FCA** in Seval, Italy; **Renault-Dacia** in Romania, **PSA** in Slovakia **Toyota** in France & Poland, **Volvo** in Sweden
- Early May: **BMW, Ford, PSA Group, Renault-Nissan, FCA**
- **German dealers** can reopen
- But restarts are fragile, i.e. Kia already stopped in Slovakia because of parts shortage
- Ports space issue increasing

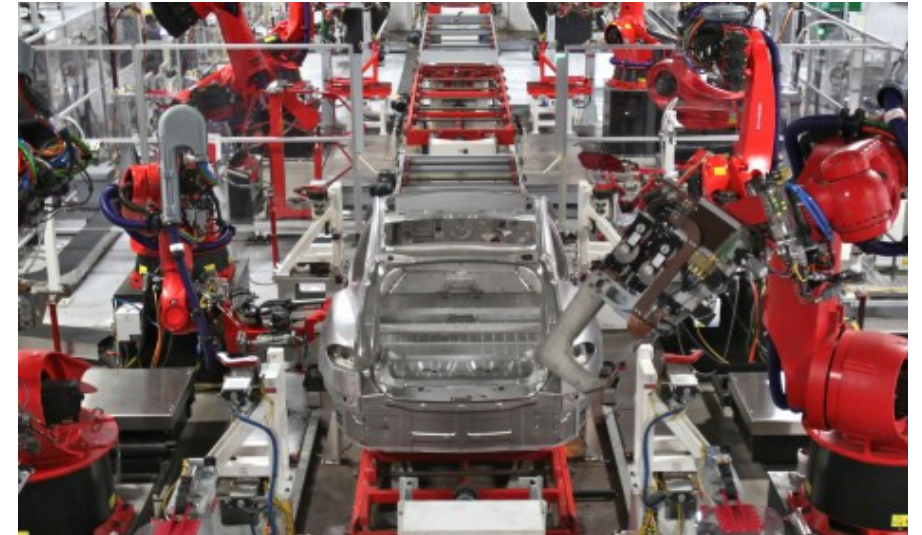


# Supply Chain restarts



## US/North America – a slow return

- Suppliers beginning restarts
- Early assembly restarts: Kia in Georgia, Mercedes Alabama, VW in Tennessee
- Others across region planned for May or indefinite
- Federal guidelines now indicate vehicle dealerships can open
- Mexico is behind curve, potential supply chain risk
- Storage issues at ports and transport network







# A new normal that is anything but...

- Safety, distancing and PPE requirements
- Highly volatile supply
- Supplier liquidity risks – tier 2, 3 and LSPs
- Demand shocks shutting additional production lines (South Korea)
- Logistics constraints
- Sales channels still limited
- Risks of protectionism growing
- ...supply chain will be king: resilience, agility, automation

# Top countries: automotive parts and accessory exports

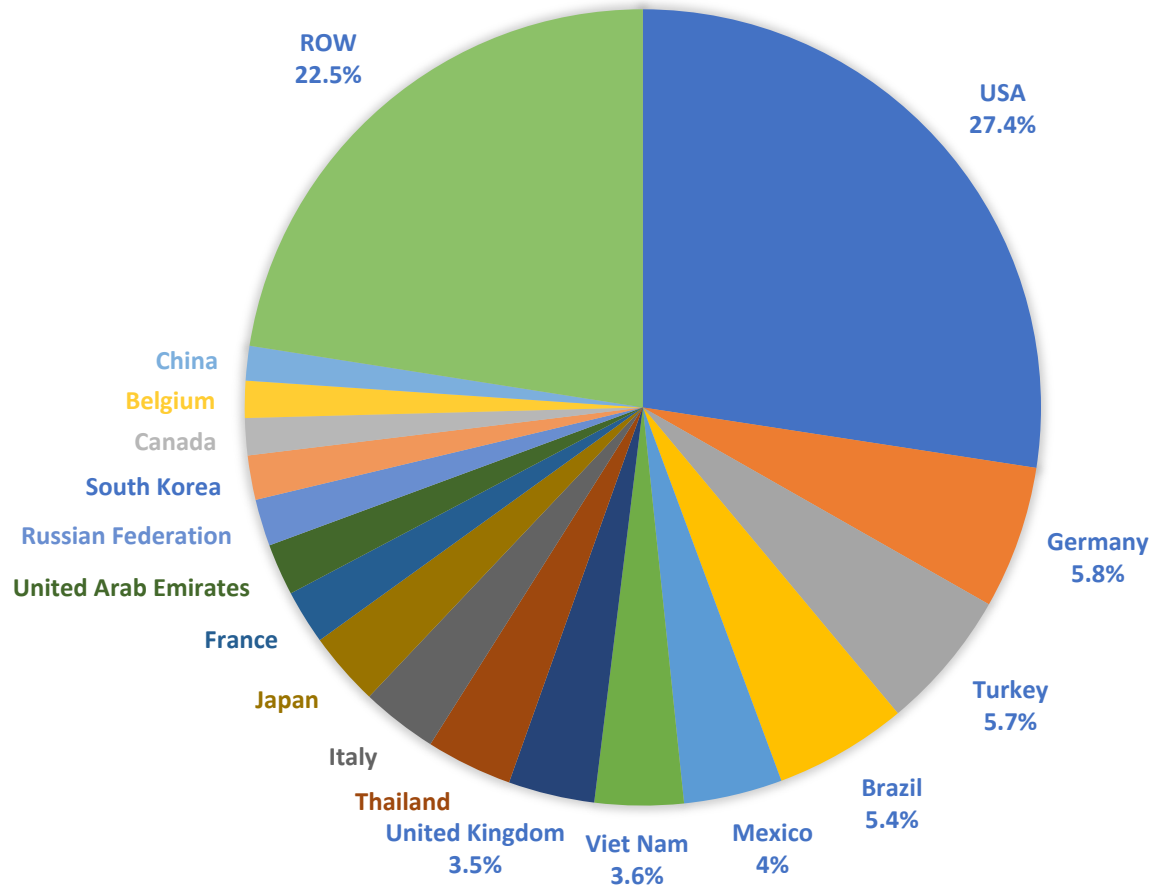
Exporters	Value exported in 2019 (USD thousand)	Trade balance in 2019 (USD thousand)	CAGR 2015-19 (%)	CAGR 2018-19 (%)	Average KM importing countries
Germany	\$61,796,400	\$22,254,612	5	-8	3675
United States of America	\$43,018,677	-\$26,615,782	0	-6	3407
China	\$33,625,803	\$8,404,847	6	-4	8034
Japan	\$32,697,064	\$24,568,442	4	-9	7246
Mexico	\$30,659,940	\$3,500,583	5	3	2554
Korea, Republic of	\$18,981,682	\$15,115,024	-5	-3	8033
Czech Republic	\$15,132,699	\$3,829,221	5	-3	968
Italy	\$14,680,970	\$6,376,890	5	-4	2250
Poland	\$14,352,084	\$5,964,026	10	-1	1201
France	\$13,932,725	-\$2,690,636	0	-11	1835
Canada	\$10,883,287	-\$8,944,624	1	-4	1562
Spain	\$10,824,805	-\$6,276,074	4	-8	2498
Thailand	\$8,039,565	\$1,250,026	6	-6	6607
Romania	\$7,036,357	\$2,766,303	10	-8	1785
Hungary	\$6,736,775	\$716,531	7	0	1286
Belgium	\$6,601,543	-\$2,294,203	7	3	2408
United Kingdom	\$6,476,133	-\$9,371,428	1	-9	2783
Sweden	\$5,204,201	-\$1,047,809	4	-7	2352
India	\$5,032,374	\$842,686	8	-2	8561

Source: ITC (based on product code 8708)

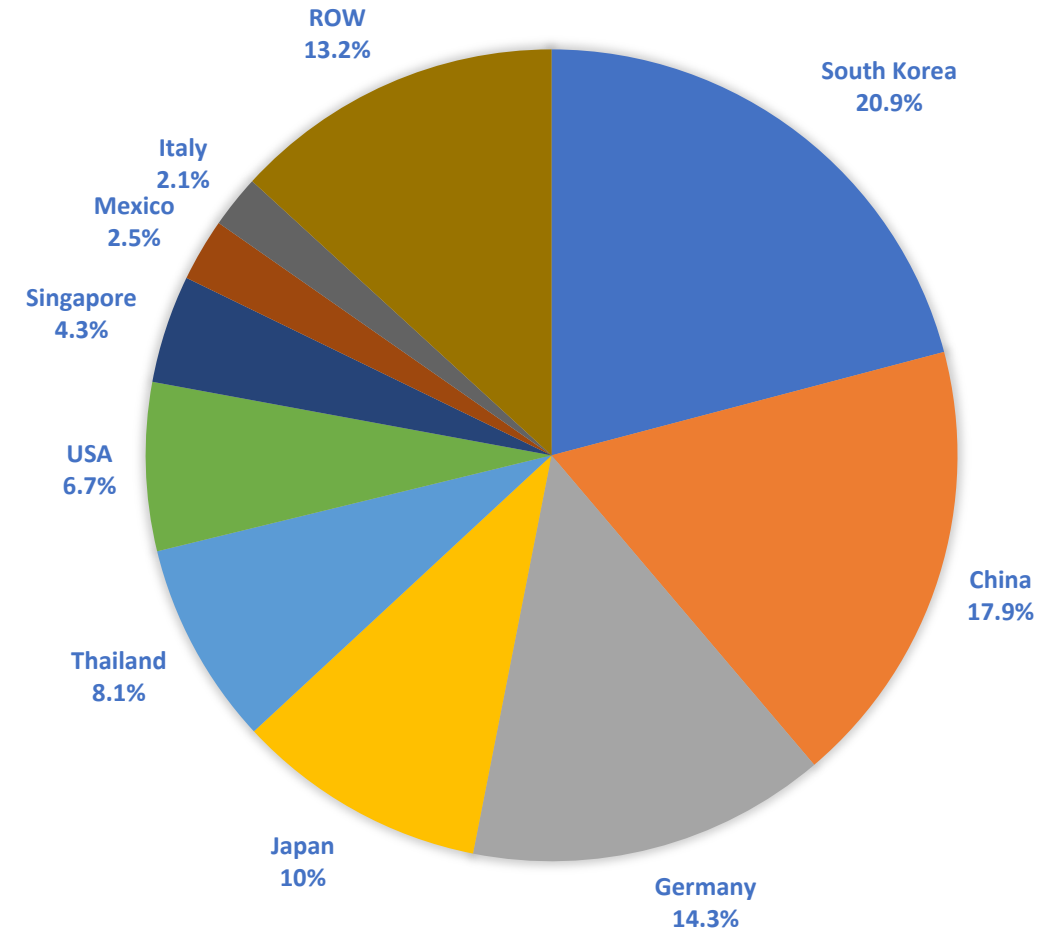


# India auto parts & accessory export and import share by country

SHARE OF INDIAN AUTO PARTS EXPORTS  
\$5BN 2019

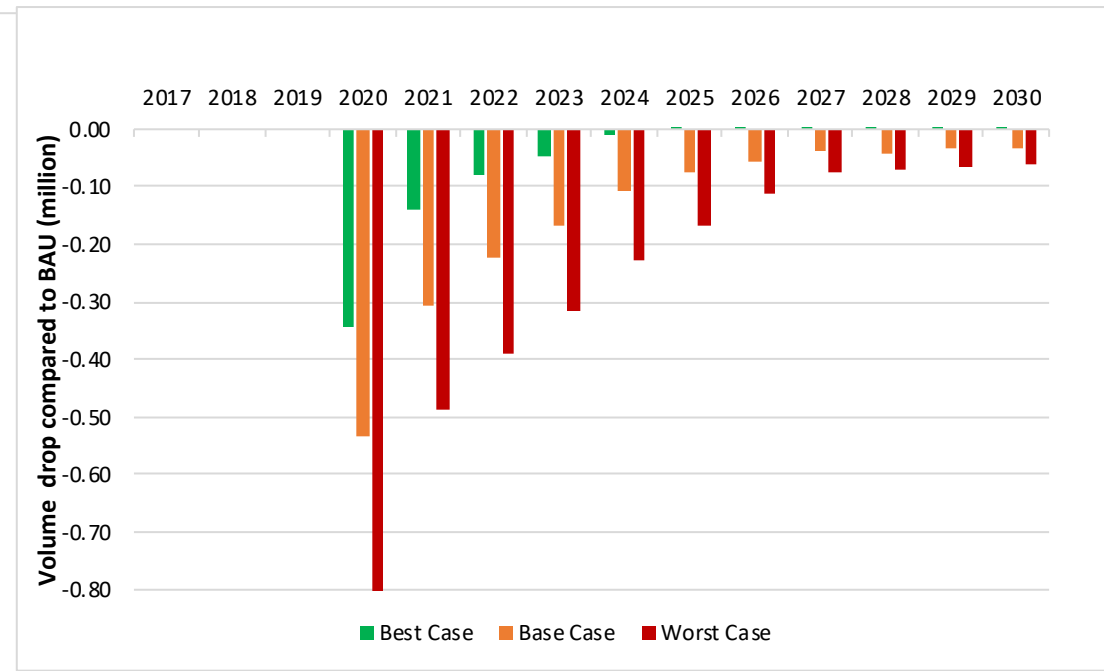
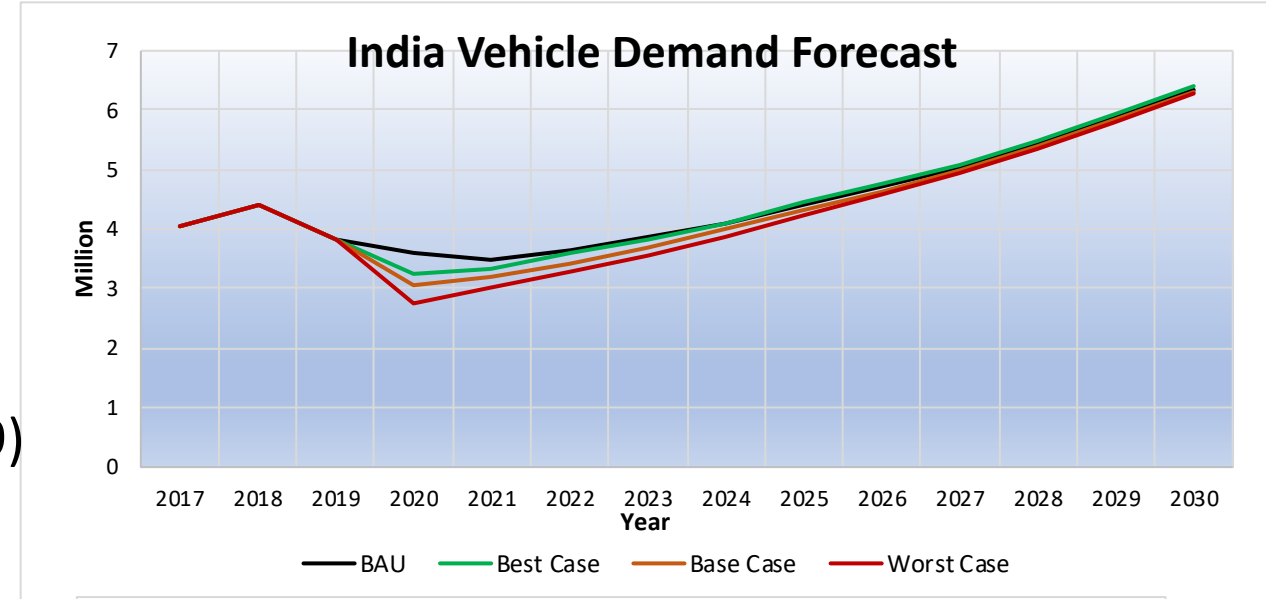


SHARE OF INDIAN AUTO PARTS IMPORTS  
\$4.2BN 2019



# India vehicle sales outlook

- ▶ **Best Case** - A fall in volume in 2020 of **0.34** million units (-9.6% from BAU, -15% from 2019)
- ▶ **Base Case** - A fall in volume in 2020 of **0.53** million units (-14.9% from BAU, -20% from 2019)
- ▶ **Worst Case** - A fall in volume in 2020 of **0.84** million units (-23.4% from BAU, -28% from 2019)
- ▶ In all cases, 2018 peak reached by mid-decade



AUTOMOTIVE

# FESTIVAL *of* TRANSFORMATION

SURVIVING AND THRIVING IN 2020

**SPRING – SUMMER**

2020

**08 APRIL** THE LIVESTREAM HOUR:  
US IN FOCUS

**15 APRIL** THE LIVESTREAM HOUR:  
RESTARTING AUTOMOTIVE PRODUCTION

**22 APRIL** THE LIVESTREAM HOUR:  
INDIA IN FOCUS

**29 APRIL** MAIN STAGE:  
AUTOMOTIVE SUPPLY CHAIN APRIL UPDATE

[automotive.logistics.media/festival-of-transformation](https://automotive.logistics.media/festival-of-transformation)



Get in touch if you're interested in participating



Christopher Ludwig, editor-in-chief,  
[christopher.ludwig@ultimamedia.com](mailto:christopher.ludwig@ultimamedia.com)

