



// उद्यमात् सकल समृद्धिः//  
MAHARASHTRA INDUSTRIAL  
DEVELOPMENT CORPORATION  
**MIDC**

# AUTO & AUTO COMPONENT SECTOR

**Magnetic  
Maharashtra**

Attractions Unlimited



## MAHARASHTRA: The Enduring Leader

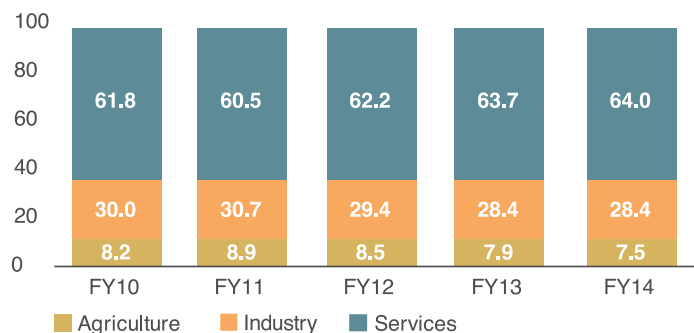
- Strategically located with a long coastline and borders with several states
- Progressive Government taking measures to facilitate industrial infrastructure
- Presence of large number of diverse industries and a well-developed service sector
- 'Financial and Trade' capital of India
- Presence of specialized institutes that offer skilled resources for industries and services sector
- Accounts for 30 percent of the total FDI inflow in India



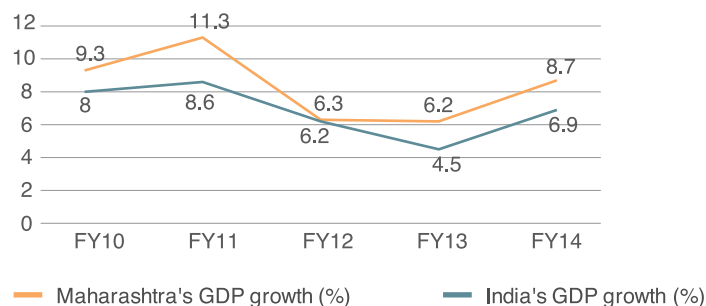
## MAHARASHTRA: Economic Profile

One of the biggest contributors to Indian economy; the state has been growing at a faster pace than all-India average in most periods and is expected to continue the momentum

### Maharashtra's GDP composition (%)

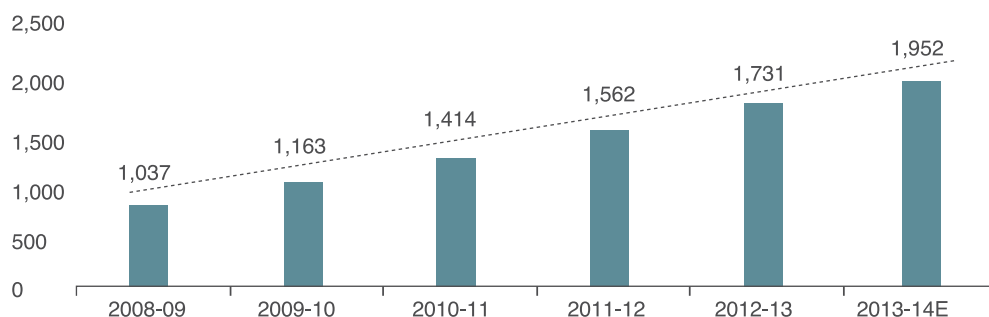


### Economic growth (%)



Source: CSO

### Per Capita Income ( in USD)



Manufacturing sector average contribution to Maharashtra's GSDP is **20.9%**

Per Capita Income of Maharashtra is estimated at **1,952 USD** at current prices for the year 2013-14

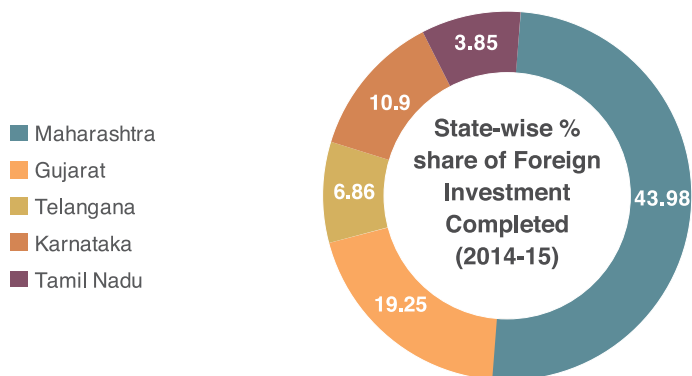
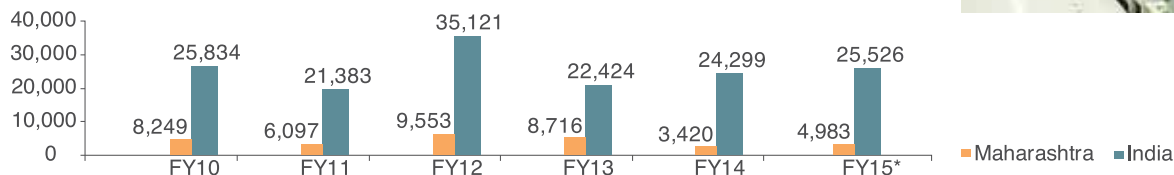
Source: "FDI Statistics" DIPP ; CMIE ; \* Estimated

## MAHARASHTRA: Investment Profile

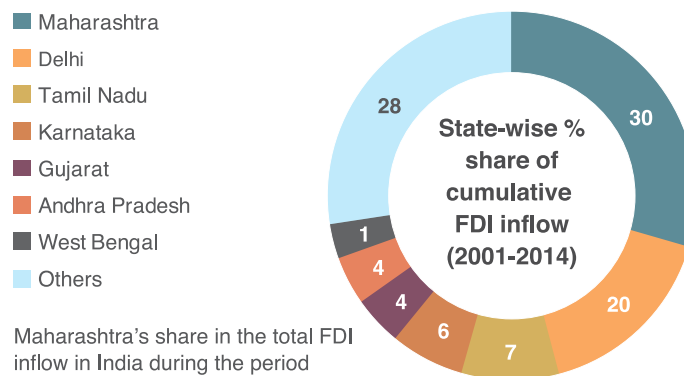
Attracts the highest FDI in the country; expected to maintain its lead in the future as well

### FDI inflow

FDI inflow and state contribution (USD million; %)



Number of Foreign Private Sector Investment Project completed in 2014-15 were worth: **USD6.27 bn**



Maharashtra's share in the total FDI inflow in India during the period 2001-2014 was: **30%**

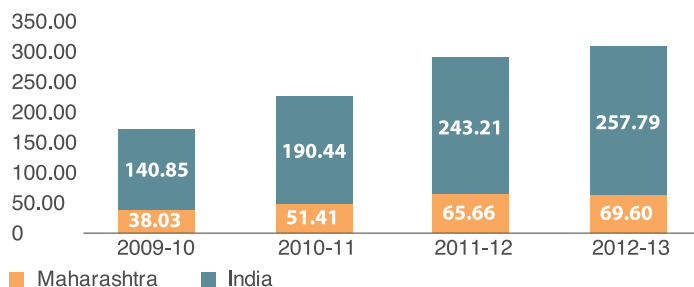
Maharashtra has attracted **USD 70.95 billion of FDI** over the 2000 – 2014, which is highest among all states in India

Source: Economic Survey of Maharashtra 2014-15

## MAHARASHTRA: Exports Profile

Attracts the highest FDI in the country; expected to maintain its lead in the future as well

### Export Trends (in Billion USD)

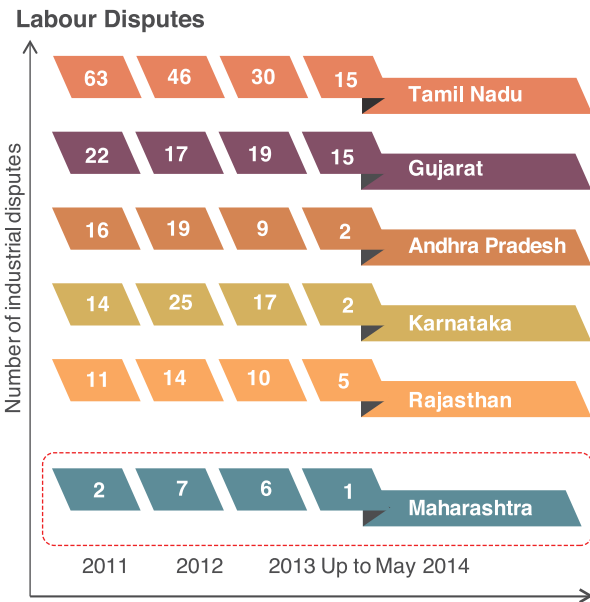


### The main products exported from the State are:

- Gems & Jewellery • Software • Textiles • Readymade garments
- Cotton yarn • Metal & metal products • Agro-based products
- Engineering items • Drugs & pharmaceuticals
- Plastic & plastic items
- Contribution of 27% of total exports in India
- Maharashtra's export totalled USD 65.7 billion over 2012-13
- Initiatives like giving awards based on export performance

Source: Economic Survey of Maharashtra 2014-15

## MAHARASHTRA: Skilled Manpower



The state is one of the most industry-friendly states with one of the lowest labour disputes

### Institutes

Streams	No. of Institutes	Enrolments per year
General Education (Arts, Science, Commerce)	3300	15.20 lacs
Engineering	1,074	5.43 lacs
Architecture	75	10 thousand
MBA/MMS and PGDM	516	36 thousand
Hotel Management and Catering Technology	23	868
Pharmacy	462	38 thousand
Masters in Computer Application	148	15 thousand
Industrial Training Institutes	766	1.05 lacs
Medical Education	293	28.5 thousand

- State has more than **6,000 institutes** that enroll over **2.5 million** students per annum
- State has the well-renowned **Indian Institute of Technology (IITs)** at Powai in Mumbai
- Home to reputed R&D institutes, viz., BARC, C-DAC, Tata Institute of Fundamental Research

Source: Economic Survey of Maharashtra, 2014-15  
Provisional Data; Ministry of Labour & Employment, GoI

## MAHARASHTRA: Infrastructure Profile-Road

Road Type	Road Length (km) (As of March 2012)
National Highway	4,376
State Highway	34,157
Major District Highway	50,256
Other District Highway	47,529
Village Roads	1,06,601
Total Road Length	2,42,919

- Well Connected to other parts of India through 18 National Highways
- Total road length of 2,42,919 km
- Road density of 133.41 km per 100 sq km of area
- 93 km Mumbai-Pune Expressway is India's first six-lane concrete road

Planned Road Infrastructure Projects
<ul style="list-style-type: none"><li>• Mumbai Trans Harbour Link ( MTHL) is a proposed 22 km, freeway grade road bridge connecting Mumbai and Navi Mumbai. When completed, it would be the longest bridge in India.</li><li>• Mumbai – Aurangabad – Nagpur Expressway connecting two major cities of Maharashtra which will save more time</li></ul>

**Mumbai – Nagpur Expressway** to connect capital cities of Maharashtra, i.e. Mumbai and Nagpur by a highway of 6 lanes via Ghoti, Aurangabad and Amravati at the cost of INR 30,000 crore. The Expressway would be equipped with optical fiber network, CCTV and Wi-Fi coverage and will shorten the Mumbai-Nagpur distance to an eight-hour drive. Technology parks, smart cities, and educational complexes would be built along the route of the Expressway.

Source: Economic Survey of Maharashtra, 2013-14

## MAHARASHTRA: Infrastructure Profile-Rail

The unique and innovative RO-RO (roll on – roll off ) service of Konkan Railway which carried piggy back trucks on railway flat wagons and 3.5 lakhs goods have been carried so far

- Well Connected to other parts of India through 5,984 km railway network
- Headquarters of Central and Western Railways in Mumbai
- Western Railways include country's western coast including the Mumbai Port
- Suburban railways carry around 6.94 million passengers every day

### Planned Rail Infrastructure Projects

- Railway line of 33.7 km connecting Dighi Port with the nearest rail head Roha on Konkan Railway, which is part of one of the projects of connecting ports with rail
- Metro rail projects are planned for cities such as Mumbai, Nagpur and Pune

Source: Economic Survey of Maharashtra, 2013-14



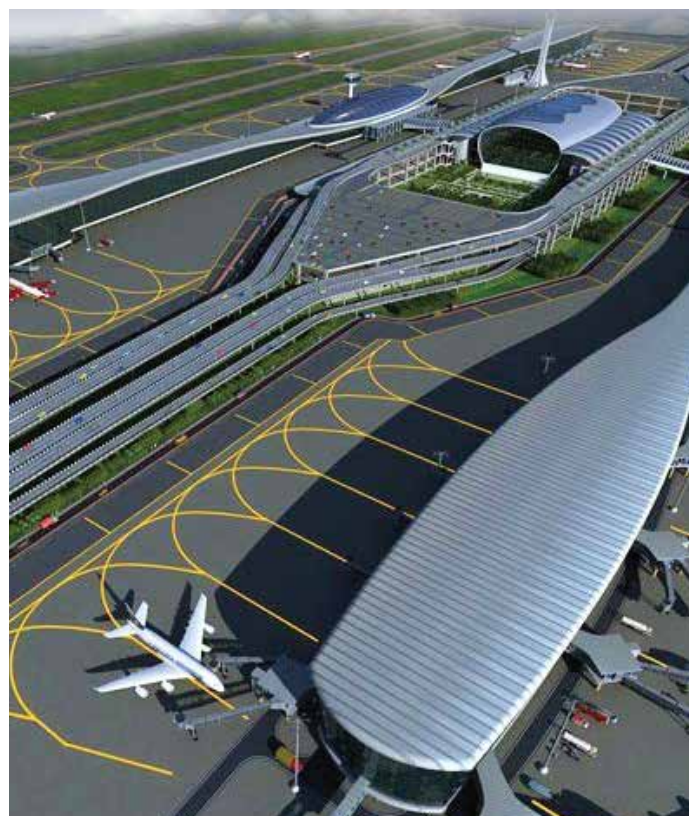
## MAHARASHTRA: Infrastructure Profile-Airport

- Three International and Seven Domestic Airports
- Total Traffic in Mumbai airport and Pune airport was around 31 million and 4 million in 2014
- Total Cargo handled at Mumbai, Pune was 1.81 lakhs MT and 0.21 lakhs MT
- Terminal T2 is a state-of-the-art world-class terminal with capacity to handle 40 million passengers per annum

### Navi Mumbai International Airport (Planned)

- In order to reduce congestion in Mumbai International Airport, an additional airport has been proposed at Navi Mumbai. It is expected to be commissioned by 2019 with an initial capacity of 10 million passengers per annum

Source: Economic Survey of Maharashtra 2014-15; IBEF, AAI: Airport Authority of India





# MAHARASHTRA: Infrastructure Profile-Port

## Port-Rail Connectivity

- For Jaitapur Port Project, a special purpose vehicle is being formed between Konkan Railway Corp, Maharashtra Maritime Board and JSW Jaigad Port to lay a 33.7 km rail line to connect the port to the railway network
- Two principal ports along 720 km coastline: Mumbai Port Trust (MBPT) and Jawaharlal Nehru Port Trust (JNPT)
- 53 Minor Ports
- MBPT and JNPT handled 416.55 lakh MT and 480.73 lakh MT of cargo traffic over 2014-15
- Special committee set up to fast track all ports projects greater than INR 1000 cr

## Planned Port Infrastructure Project at Karanja

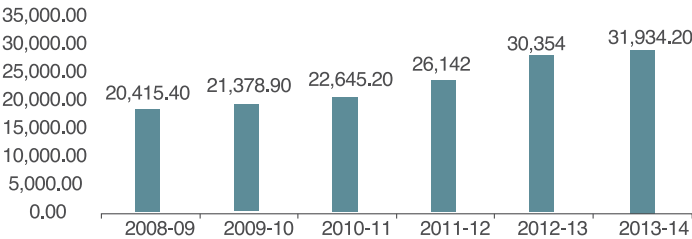
- Karanja Port Project, a multipurpose terminal facility is being set up along 1,000 meter waterfront over 200 acres of inter-tidal zone. This facility will serve as a complement to the existing MBPT and JNPT ports and will ease the cargo traffic congestion in the area

Source: Economic Survey of Maharashtra 2014-15; IBEF, AAI: Airport Authority of India



# MAHARASHTRA: Infrastructure Profile- Power

## Installed Power Capacity (MW)



- Total electricity generated during 2013-14: 91 billion kW
- Industrial sector is the largest consumer of the electricity
- Private sector contribution to total installed capacity is the highest with 54.5%
- Special committee set up to fast track all ports projects greater than INR 1000 cr

## Planned Power Infrastructure Projects across the State

- Solar power projects of 130 MW capacity have been commissioned by MAHAGENCO
- GoM has adopted the policy of achieving the target of renewable purchase obligation up to 10 percent

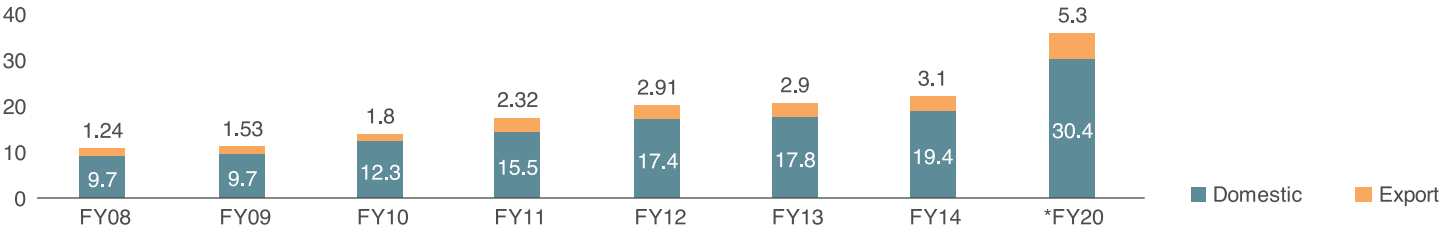
Source: Economic Survey of Maharashtra, 2013-14



# MAHARASHTRA: Auto and Auto Component Sector

Maharashtra’s auto sector has one of the highest industrial outputs in the nation

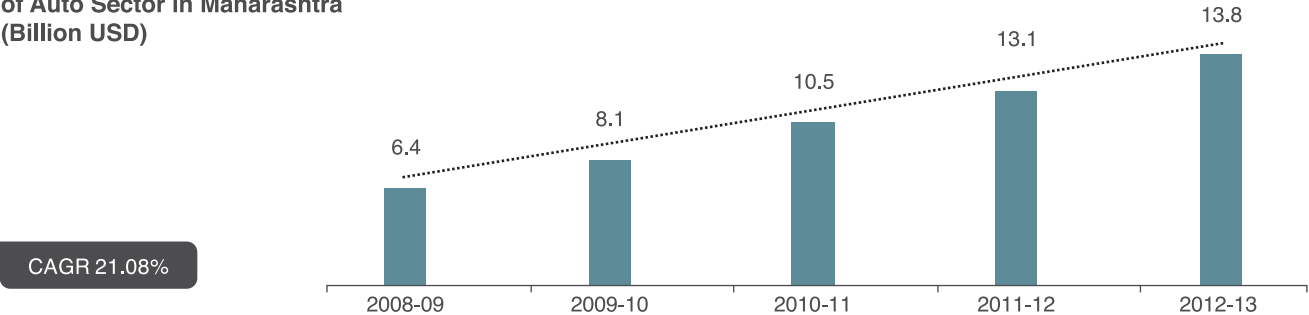
## Auto Domestic and Export Sales in India (in Million Units)



\*Estimated Domestic and Export Sales of Auto in India

Source: SIAM - Automobile export trends

## Gross Value of Output of Auto Sector in Maharashtra (Billion USD)



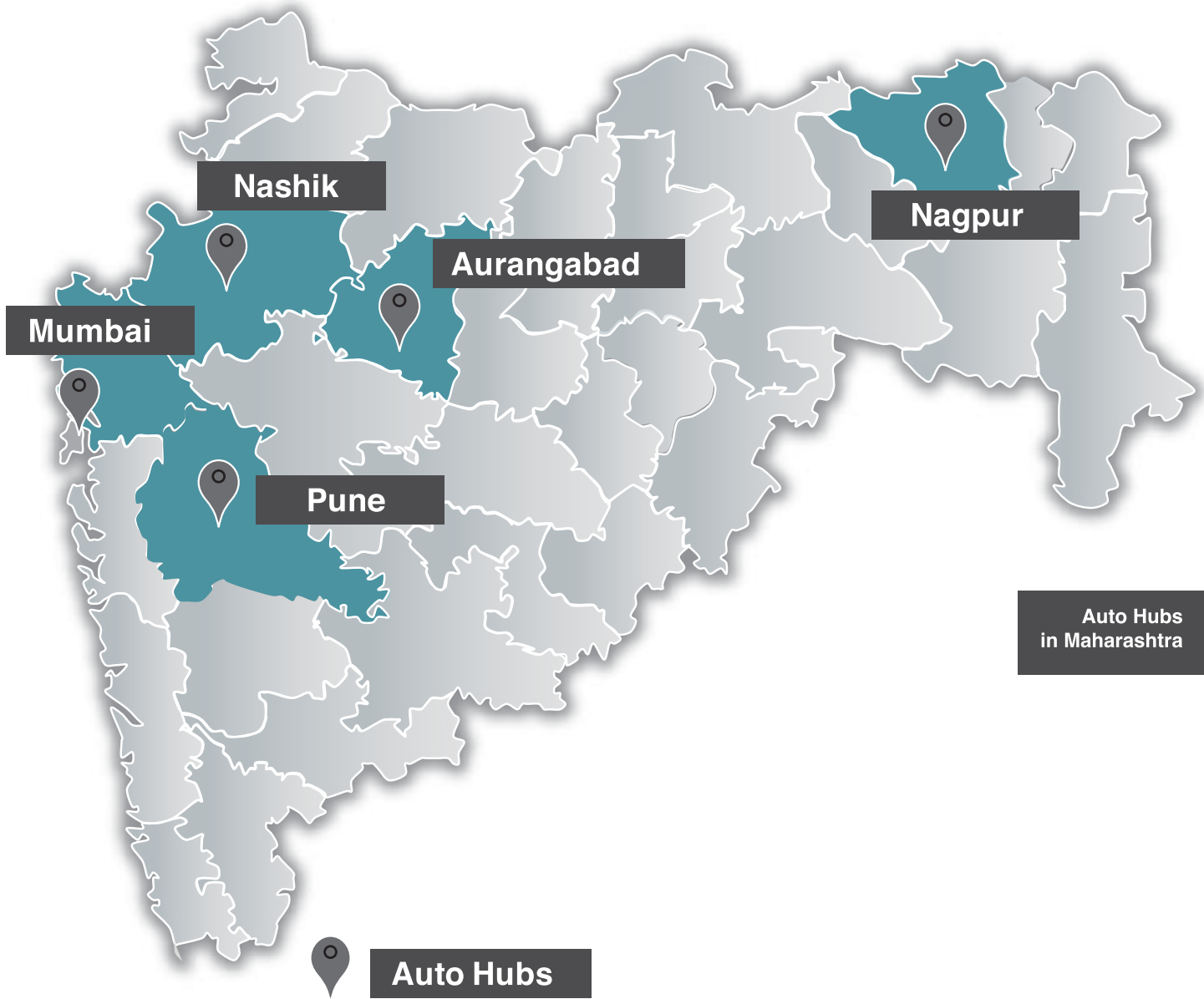
## India

- It is one of the faster growing and sunrise sector in India
- India is expected to be the third largest automotive market by 2016 due to higher demand and cost advantages in terms manufacturing
- The Indian auto component industry is expected to register a turnover of USD 66 billion by FY 15–16 with the likelihood to touch USD 115 billion by FY 20–21
- In the period from 2006 to 2016, Auto industry’s contribution to GDP would rise from nearly 5% to 10%, thus making it a greater driving force of the economy.

## Maharashtra

- Maharashtra accounts for approximately **38.0** per cent of the country’s output of automobiles by value.
- It has the leading auto industry hub of the country with a market share of **21% in India**
- The auto industry in Maharashtra has witnessed a significant growth with **CAGR of 21.08% from 2009 to 2013**

**MAHARASHTRA:**  
**Auto and Auto Component Ecosystem**





## Major Auto Hubs

- The major automobile centres in the state include Pune, Nashik, Aurangabad, Mumbai and Nagpur.
- Pune is the largest auto hub of India with over 4,000 manufacturing units in the Pimpri-Chinchwad region alone.
- Pune has “who’s who” of Indian Automobile Industry – Tata Motors, Mahindra & Mahindra and Bajaj Auto and international auto majors like GM, Volkswagen and Mercedes.
- Aurangabad is a major auto hub and is home to auto majors like Skoda , Bajaj Auto, Goodyear Tyres, Vorrac Engineering, Balkrishna Tyres, Duro Valves amongst others



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## Dedicated Institutes

- Automotive Research Association of India is India’s premier automotive R&D, testing and certification organization is present in Pune
- Auto Cluster Development & Research Institute works towards development of MSMEs (Micro, Small and Medium Enterprise) in and around Pune to meet expectations of OEMs



# Policy & Regulatory Support for the Auto and Auto Component Sector

Progressive policies aimed at increasing the 'competitive advantage' of businesses

<b>Fiscal Support</b>	VAT + CST Abatement Stamp Duty Exemption Electricity Duty Exemption Plus, a host of other benefits...	<b>Non - Fiscal Support</b>	Skill Development Single Window Clearance (SWC) Investor Facilitation Investor After Care Cell
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## Special Incentives

Mega and Ultra Mega projects can qualify for fiscal incentives up to **100% of the fixed capital investment**

## 10% additional incentive

is provided by the state if the project creates double the employment required for the eligibility

## Auto Sector Incentives

- Under the new Industrial Policy 2013-18, Mega and Ultra Mega projects can qualify for fiscal incentives up to 100% of the fixed capital investment.
- 10% additional incentive on top of the above-mentioned incentives is provided by the state if the project creates double the employment required for the eligibility
- VAT set-off claim to be made on gross sales limited to total eligible VAT refund in a year for eligible Mega Projects
- VAT refund under Industrial Promotion Subsidy for eligible MSMEs
- 100% stamp duty exemption to eligible MSME units for acquiring land and for term loan purpose for eligible period
- 100% electricity duty exemption to eligible MSME units for eligible period

## Key Players in the Auto and Auto Component Sector



DAIMLERCHRYSLER



Volkswagen



Volkswagen Group

TATA MOTORS



NEW HOLLAND



PIAGGIO®



BOSCH



FOTON



SANY



Lucas-TVS Limited



KINETIC



JOHN DEERE



ASHOK LEYLAND





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