

# INDIAN AUTO COMPONENT INDUSTRY

Growing and Aging Vehicle Parc to  
Drive Sustained Growth in Auto  
Aftermarket

MARCH 2026





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*India's automotive aftermarket is growing steadily as increased number of vehicles stay on the road longer and clock higher usage across urban and rural India. Replacement demand is mainly shaped by electronics, safety features, and smarter maintenance, supported by organised workshops and digital platforms.*

*Despite rising dependence on import for electronics parts, the expanding and ageing vehicle base keeps the aftermarket on track to reach revenues of around Rs. 1,55,000 crore by FY2030.*



**India's automotive aftermarket revenues stood at approximately Rs. 99,500 crore in FY2025.** The segment has grown steadily at a CAGR of 8% over the past 10 years ending FY2025. The growth has been driven by rising personal and commercial vehicle usage, and a rapidly expanding vehicle population. Increasing urbanisation and daily commuting have further intensified utilisation, accelerating replacement cycles for key components.



**The demand for aftermarket components is largely comprised of drive transmission and steering, electricals, suspension, and braking components,** reflecting the replacement-driven nature of these components.



**Longer vehicle life, improved maintenance, and rising electronics, safety, and comfort contents** are expanding replacement demand. The same is further bolstered by the formalisation of repair services, growth of organised workshops, digital spare-parts platforms, premiumisation, and the emergence of EV parts, telematics, and predictive maintenance.



**However, rising electronics content in vehicles is increasing the aftermarket's dependence on imports,** with China accounting for around 32% of auto component imports, largely in lower value electronics parts such as basic sensors and wiring components. Higher value systems like electronic control units (ECUs) are also imported from South Korea, Germany etc. in significant volumes, indicating a substantial opportunity for Indian auto component manufacturers to localise production.



**ICRA expects the Indian auto component aftermarket to grow at a further CAGR of 8-10% through FY2030, touching revenues of around Rs. 1,55,000 crore.** Growth will be driven by an expanding and ageing vehicle fleet, higher usage intensity, and rising adoption of preventive maintenance.

## 1 Trend in Indian Auto Component Aftermarket Industry



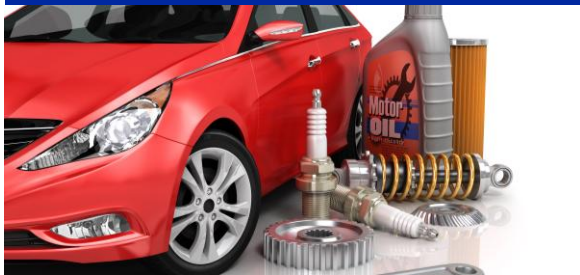
## 2 Domestic Auto Component Aftermarket



## 3 Global Landscape



## 4 Emerging Dynamics



## 5 Outlook





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