

International Competitive Advantage of India in Auto-Component 'Bumpers and Parts Thereof (ITC HS - 870810)' With Selected and Economically Most Important Countries of the World

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ABSTRACT:

The Indian Auto Component Industry has a phenomenal growth record for decades, especially after opening up the Indian market from restricted license-raj to open competition after 1993 onwards. The Industry transformed gradually to compete and gain the critical mass by infusing new investments and acquiring new technology through technology transfer not only to serve domestic market but to compete and capture International market even to feed the need of global OEMs apart from serving replacement market in After Sales Service requirement. In this research paper we are trying to find out the International competitive advantage through export competitiveness for a particular auto-component product.

INTRODUCTION:

Indian Automotive Industry can be traced to 1940s, but distinct growth started in 1970s. From 1947 to 1984 cars were considered as luxury product; manufacturing was licensed, expansion was restricted; there were quantitative restrictions (QR) on imports and a tariff structure designed to restrict the market. The market was dominated by – Telco (Tata motors), Ashok Leyland, Mahindra and Mahindra, Hindustan Motors, Premier Automobiles and Bajaj Auto.

AUTOMOTIVE INDUSTRY

Indian automotive industry is divided in to two parts: 1) Automobile Industry and 2) Auto-component Industry. Now if we elaborate each of it that may focus as follows:

1. Indian Automobile industry can be divided into three (3) stages-

(A) Pre-1983 stage:- it was closed market. The growth of market was limited by supply. Availability of automobile models was out-dated as per global market. Only few domestic companies were operating such as Hindustan motors, Premier automobiles, Telco (TATA motors), Ashok Leyland, Mahindra and Mahindra, Bajaj automobiles. Govt. policy was inward looking Duty structure was very high. Licensing system was prevailing. Thinking of policy was lopsided with that automobile is only for commercial purpose and/or otherwise it was only.

(B) 1983-1993 stage:- this is the second stage of evolution of automobile industry. It is starting of 'Japanisation' of auto industry. It started with a joint venture between govt. of India with Japanese company Suzuki and floated 'MarutiUdyog Ltd'. Joint ventures with companies in commercial vehicles and two-wheel segments viz., Hero-Honda, Kinetic-Honda etc. and also joint ventures in components manufacturers such as Sona Koyo, Munjal Showa etc.

(C) Post 1993 (Liberalized) stage: - this is the stage where de-licensing took place in the 1993 for Indian automobile sector. 100% FDI is allowed. Global major OEMs start assembly in India, viz., GM, FORD, Toyota, Honda, Hyundai, BMW, Mercedes-Benz, Nissan, Volkswagen, Volvo, Caterpillar, Renault, Fiat

etc., and simultaneously Tier 1 component manufacturers also established their shop in India, viz., Bosch, Continental DANA, Delphi, Denso etc.[IBEF Report]

Imports allowed from April 2001; alignment of duty structure on components and parts to ASEAN levels. Further, government policy for implementation of VAT and investment in R&D.

The latest stage is the era of globalization and evolution of India as a global auto manufacturing hub. The foremost challenge for successful globalization high level of competence and productivity has become the forte of Indian automakers due to the favourable environment in the country.

2. Indian Auto-component industry is ancillary industry which supplies or feed the mother automobile industry. Auto component can be divided into six(6) broad categories. To elaborate each of this –

a) Engine part and Exhaust – consists of Pistons, Piston rings, Engine valves, Carburetors and Fuel delivery system. This segment is the second largest production base with 22.5% as per ACMA report 2011-12.

b) Electrical Parts – consists of Starting, Ignition, charging systems etc. 5th largest production with 10.7%.

c) Drive transmission and Steering parts – consists of Gears, Wheels, Steering systems, Axles and Clutches with 11.2% share of total production system.

d) Suspension and Breaking parts – consists of Brakes, Brake Assemblies, Brake Linings, Shock Absorber and Leaf Springs with 8.9% share in total production system.

e) Interior and Equipment – consists of Headlight, Halogen bulbs, Wiper motors, Dashboard instruments, Switches, Electric Horn etc. with 10.1% share. And

f) Body, Bumpers, Structural (body and chassis) and others. It is the largest production share with 36.6%.

Status of Auto-component manufacturer has been shifted from feeder to joint developer and producer during Phase Manufacturing Programme (PMP). In the present stage of cutting cost and develop innovative products both OEMs and the Component manufacture join hands to create unique design and produce the equipment for individual OEMs which change from Mother – Daughter to Sister to Sister business Model. Also the supply chain system has been changed with the pressure of cost minimisation through indigenisation process and also composite Industry HUB where both OEMs and Equipment manufacturer shelters together, bear the cost of creation of manufacturing shelter and assembly shelter jointly which helps minimising the supply lead time and holding cost of equipment and ultimately truly create the ‘Just-in-Time’ (JIT) supply which leads to cost cutting. Simultaneously, this trend forced MNC - OEMs to establish their assembly centres to the developing countries such as China, India, South Korea and Thailand etc. It ultimately gives the opportunity for the development of Auto-Component manufacturing hubs in these countries.

These opportunities of development of manufacturing of auto-components for indigenisation process thrash the rate of growth of exports of components to original equipment manufacturer rather increases the scope to feed the replace market.

PRESENT SCENARIO

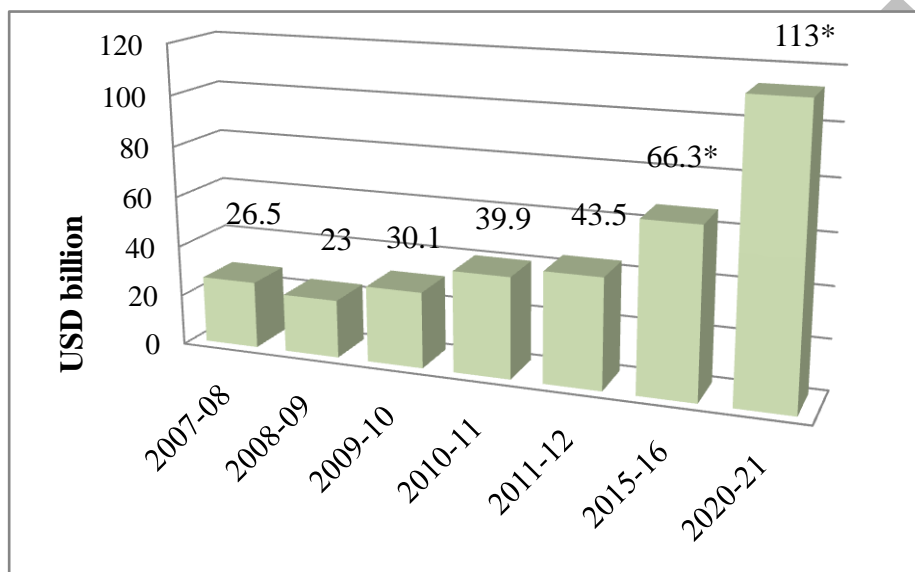
In 2005, ACMA in association with McKinsey & Co drew up a ten year road map for the auto-component industry. The ‘Vision 2015’ document spelt out the huge addressable opportunity and identified what is required on part of the industry, the government and ACMA to take the Indian auto-component industry to the next level. According to the McKinsey report, global automotive components consumption was expected to grow to US\$1.65 trillion by 2015. India and other low cost countries can cater to as much as 42% of the global demand, valued at about US\$ 700 billion. India alone can aspire to garner 3-4 per cent of this total market. This report also observed through Mr. Raghu Mody, President, ACMA, 2006-07: “ACMA distilled the spirit of ‘Automotive Mission Plan (AMP) 2006 – 2016’ and converted it into a vision 20:20:1 – to generate US\$ 20 billion revenues in the domestic market, US\$ 20 billion exports and

create 1 million additional employment by the year 2016.[ACMA Report in ‘Setting India in Motion ... Parts of an Auto story, 2013]

Well on track towards achieving the goal set for 2015, ACMA commissioned Earnest & Young to study the industry and set targets for the year 2020. It is estimated that by 2020, the size of the automotive component industry will exceed US\$ 150 billion. US\$ 120 billion will accrue to the domestic market and the balance US\$ 30 billion will be on account of Exports. It is expected that 15 – 20 automotive component manufacturers will achieve turnover levels of US\$ 1 billion from only 3 companies at present. [Earnest & Young Report].

The Indian Auto component industry is expected to reach a turnover worth US\$ 113 billion by 2020-21 from US\$ 43.5 billion in 2011-12, according to ACMA. The turnover from the Industry are expected to grow at a compound annual growth rate (CAGR) of 11% during 2012-21, whereas the present scenario of CAGR from 2007-12 was 13%.

Figure–A [Industry Turnover]



(Figures for financial year April to March)

[Source: ACMA]
[2012-13 Report]

[*2015-16 and 2020-21 Expected figure]

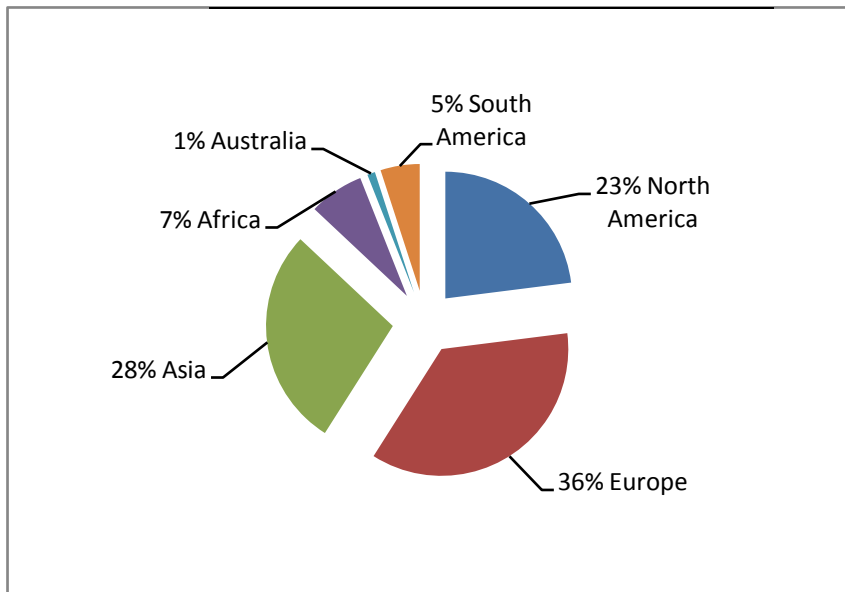
Export Profile of Auto-Component Industry

Auto- component Industry growth in Exports are also jumped from year to year such as USD billion 3.8 in 2007-08 to USD billion 6.8 in 2011-12 and expected to gallop to USD billion 29 by 2020-21. The exports from the Industry are expected to grow at a compound annual growth rate (CAGR) of 17% during 2012-21, whereas the present scenario of CAGR from 2007-12 was 16%.

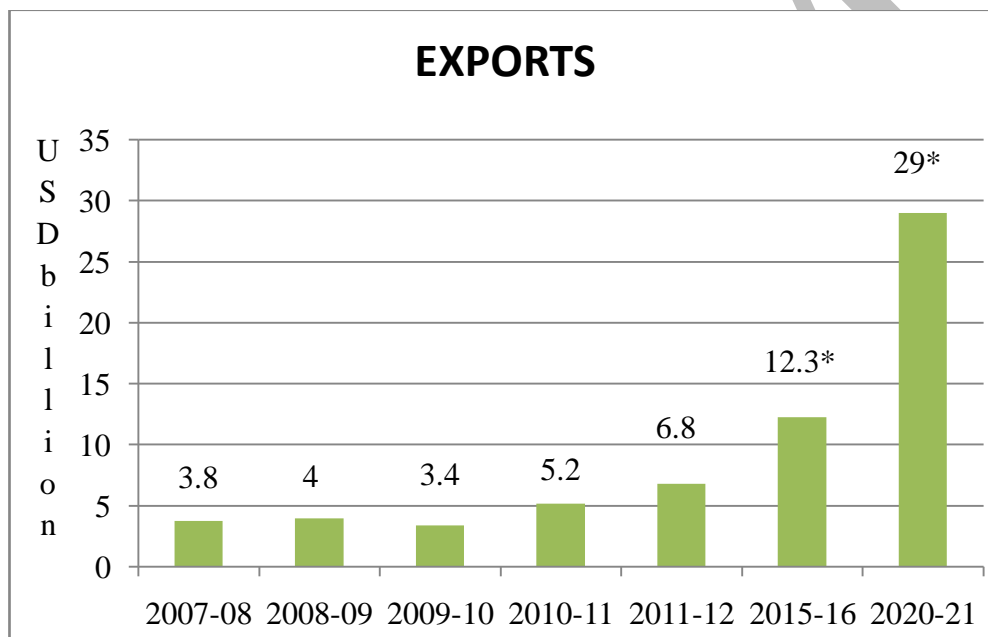
Export Destinations

North America is 23% whereas Europe gives 36%. Export in Asia is 28%. But Australia gives only 1% as India never put its export focus to this area. Same as to South America and Africa which give 5% and 7% respectively. It is very clear from these data that India focuses export destination to very few countries in world and those are in selected developed countries in North America and Europe along with few Asian countries. We should focus our export to other countries also so that we can overcome dependency on few countries.

Figure– B (Export Destination)



Figure– C



Source: ACMA (2012-13 report)

* Expected Figure

**Financial Year April to March
India: The Global Auto Hub**

The amount of cumulative foreign direct investment (FDI) inflow into the automobile industry during April 2000 to Nov 2012 was worth US\$ 7,518 million, amounting to 4% of the total FDI inflows, as per data published by department of industrial policy and promotion (DIPP), Ministry Commerce.

The Indian Automobile and the auto components industry can be expected to surpass China’s growth path by 2021, according to a research report by Espirito Santo Securities. [IBEF Report]

Supportive government policies, positive business environment, availability of reasonably priced talented work force and stable outlook for the industry has made India a global hub for the international manufacturers to set up their facilities. The auto components manufacturers are going to reap the benefits.

Components of Advantage India for Auto components Industry

1. Competitive Advantage – A cost effective manufacturing base keeps costs low by 10-25% relative to operations in Europe and Latin America.
2. Presence of a large pool of skilled and semi-skilled work force amidst a strong educational system.
3. Robust demand – India is set to break into the league of top 5 vehicle producing nations. Total turnover of India's Auto component sector is expected to almost treble in size to US\$ 113bn in financial years 2020-21 from US\$ 43.5bn in 2011-12.
4. Export opportunities – India is emerging as global hub for auto component sourcing. Relative to competitor, India is geographically closer to key automotive markets like the Middle East and Europe.

Production and Cost Efficiency

The automotive sector uses the raw material of steel, aluminium, copper etc., plastics, paints, glass, and electronics.

Raw material cost accounts – 55% of the total cost of produce followed by labour cost of about 12%. Apart from this, the power is another ingredient of overhead cost.

Demand drivers for Auto components segment

Exports fuelled by Industry's capability to manufacture and supply quality products at internationally competitive prices:

Development of the automotive industry in India with the rise of competition has forced the component industry to shed all fat and become more cost competitive. Moreover, availability of good technical manpower (at a similar cost in comparison with other competing countries) and promotion of use of advanced technology by the government have helped the industry improve the quality of output. Combination of being cost competitive and a producer of quality products have drawn attention of other countries to the extent that India is being made the global sourcing hub by many multinational companies (MNCs). In 2011-12 about 20% components and aggregates were exported. Component and aggregate exports have been increasing at a 5year CAGR (year 2007-12) of about 16%. Thus, the industry's unique capability has become one of the key drivers of auto component exports from India. However, it also needs to be noted that global recession has seriously impacted the auto component industry as exports growth rate have been hit.

Critical success factors of the auto component segment

•Ability to provide system solutions rather than only components:

Auto OEMs are now a day increasingly looking auto-component suppliers who can provide complete solutions rather than only components. Hence, the ability to be able to provide the same is critical to the success of auto component manufacturers.

Literature Review:

Competitiveness has been studied by the researchers from the perspectives of nation or an industry or an individual firm. Therefore, studies of competitiveness are found across multiple disciplines viz., Economics, Performance Measurement, Operations Management, Policy Research as well as Strategic Management. Here we will focus mainly with the Strategic Management. The literature provides two important but contrasting theories; the Industrial Organisation (IO) and the Resource Based View (RBV) [Hitt, Ireland & Hoskisson, 2005 p, 15 - 21]. The IO theory explains why firms operating in some industries are more profitable than others (Ghemawat, 2002). It suggests that firm profitability is function of the industrial environment and market conditions (Hoskisson et al., 1999). Porter (1980 Competitive Strategy, & 1998 Competitive Advantage) explains through his Five Forces Model that the profit potential of firms in a particular industry depends on trade-offs among the following five forces of market competition: (1.

Bargaining powers of buyers, 2. Bargaining powers of sellers, 3. Threats of new entrants, 4. Threats of substitute products and 5. Intensity of rivalry among competitors). This framework for industry analysis has been widely used for competitiveness analysis of industries (Fairbanks & Lindsay, 1997).

On the other hand, the RBV theorists believe the firm's resources are the most important factors affecting profitability (Barney, 2001; Wernerfelt, 1984; Wernerfelt 1995). Here, 'Resources' refers to bundles of tangible and intangible assets as well as skills which are valuable, rare, imperfectly imitable and not substitutable (Barney, Wright & Ketchen, 2001). According to Hall (1992 & 1993) 'Resources' include employee expertise and knowledge, company reputation, product reputation and company's organizational culture. Porter (1998) suggested that 'technology strategy can best enhance a firm's sustainable competitive advantage'. Many classical theories on R&D intensity found that there is a positive association between R&D intensity and Technological performance (Arrow, 1962; Levin, 1988 and Bean, 1995). The R&D investments by the domestic firms can improve their process capabilities as well as new product development abilities. Better process improves the quality of the processes as well as the products being manufactured. Therefore, one can expect that R&D investments will contribute to overall quality and thus more sustainable profitability and also enhance the image of the firm.

Apart from these two Porter (1990, The Competitive Advantage of Nations) authenticate that nations are most likely to succeed in industries or industry segments where the Diamond Model; factors are: (viz., 1. Factor Conditions, 2. Demand Conditions, 3. Related and supporting industries, & 4. Firm Strategy, Structure and Rivalry and also Chance and Government). Porter's Diamond Model is recognised as a bridge between strategic management and international economics (Grant, 1991). He analysed industry competitiveness through the major determinants and the contribution of particular industry to national competitiveness.

Further, M. Porter defined and discussed the clusters of industries formed by network among companies (assemblers), suppliers, service providers, supporting industries and associations (i.e., Universities, Trade associations). These clusters of industries can build strong capacities and capabilities that contribute to the overall industry competitiveness (Porter M. 1998). Bell (2005) found that firms inside a cluster innovate at a greater level than outsider of the cluster because of better communication and more efficient Supply Chain Management enhance the learning and knowledge creation processes. Porter (1990) also reveals that the impact of Multinational Enterprises (MNEs) and inward foreign direct investment (FDI) on developing nations' competitiveness. This has done through bringing new technology and capabilities of Research and Development. MNEs also provide employment opportunities and stimulating infrastructure development. It is the internationally competitive indigenous industries that ultimately create and improve the nation's competitive advantage around the globe.

For international competitiveness M. Porter (1990) used productivity and export related measurements to analyse nations' global competitive positions. Porter's indicators for international competitiveness are mostly export-related measures, such as "increase in exports to the world" and "proportion of exports from the industry with respect to the total export of the nation" (Porter, M. 1990, p742).

This paper considers the relevant theories and classifies competitiveness driver and tries to find out export competitiveness to understand global competitive positions of the nation (India).

Comparative Study

To understand India's competitive position in auto component industry for a particular product like 'Bumpers and parts thereof (ITC HS - 870810)', we are studying a comparative study with other countries like USA, Japan, China, South Korea, Brazil, South Africa and few other countries of Europe viz., UK, Germany, France, Spain, Italy and Netherlands.

Objective: To study the export competitiveness of Indian auto-component viz., Bumpers and parts thereof (ITC HS - 870810) with selected most important countries of the world.

Research Methodology

We are measuring the International competitiveness of the Indian Auto-component industry and thus we have collected the Export data and measure with ‘Indicators of International Competitiveness’ of the industry.

Indicators of International Competitiveness

To evaluate the competitiveness of India’s auto component industry [here, for a particular product viz., ‘Bumpers and parts thereof (ITC HS - 870810)’. The study examined its performance in select markets by assessing certain indicators of India’s trade with the respective countries:

Penetration (Pi) = Share of Indian exports of product ‘i’ (Xi) to the specific country, relative to the country imports of product ‘i’ (Mi):

$$P_i = X_i / M_i *$$

Contribution (Ci) = Indian exports of product ‘i’ (Xi) to the specific country, as a share of total Indian exports (X) to the specific country:

$$C_i = X_i / X$$

Specific country share (Si) = Specific country imports of product ‘i’ (Mi) relative to specific country’s total imports (M):

$$S_i = M_i / M$$

An increase in ‘Si’ from one period to another implies that product ‘i’ was relatively dynamic in specific country demand for foreign products.

Specialisation (Ei) = Ascertained by dividing ‘Ci’ by ‘Si’. Corresponds to the indicator revealed comparative advantage of India’s auto component sector; **comparative advantage in product ‘i’ if the indicator ‘Ei’ is higher than 1.0:**

$$E_i = C_i / S_i = (X_i / X) / (M_i / M) = (X_i / M_i) / (X / M)$$

Where: Xi = Indian exports of product ‘i’ to the specific country.

*Mi = Specific country’s imports of product ‘i’.

X = Total exports from India to the specific country.

M = Total imports of the specific country.

FINDINGS

Table 1

Column1	Indian total exports to specific country				870810	Total Import of the specific country from world			
	EXPORT (X)					IMPORT (M)			
Column2	Column3	Column4	Column5	Column6	Column7	Column8	Column9		
Year	2005	2006	2011	2012	2005	2006	2011	2012	
USA	16,542,304	18705.452	32919.043	37170.686	1732320.798	1918997.094	2262585.634	333805.233	
UK	958.361	5383.829	8879.115	8100.177	528460.952	614811.651	717606.233	689137.011	
France	83.161	3851.693	8260.406	7133.757	779819.058	922213.393	1260297.537	1173287.645	
Germany	2015.68	2158.616	5045.984	5020.327	475856.799	529902.263	700851.646	663268.64	
Italy	2528.082	3386.164	5049.009	4294.288	384835.561	442565.103	558831.982	489104.116	
Spain	1600.434	1889.147	2974.19	2885.98	289610.795	329975.827	362834.519	325835.176	
Netherlands	2396.432	2470.297	9693.191	9466.429	310591.344	358509.534	492837.632	501134.302	
Brazil	969.812	1498.121	5391.31	6162.712	73600.375	91342.784	226243.409	223149.128	
Japan	2455.239	2804.22	16717.786	14729.317	515866.388	579063.945	855380.471	885843.335	
China	7183.792	7829.168	5592.608	6415.55	659952.762	791466.868	1743394.866	1818199.228	
South Korea	1519.552	2321.995	4549.869	4076.363	261235.583	309379.479	524405.224	519575.597	
South Africa	1404.101	2094.445	4319.584	4973.3	55032.639	68469.125	99726.016	101610.016	
Source: UN COMTRADE									(in USD million)

Inference:

From Table 1, we can find that global import condition is dynamic vis-à-vis the export of India for these particular countries is also dynamic through the long years of interval of 2005 and 2006 with 2011 and 2012.

Indian export with twelve (12) most vibrant economy and producers and users of Automotive shows steady growth of exports in these countries. Now, we will analyse further the comparative advantage of India for the particular product.

Table 2

India's Comparative Advantage with some major countries of the world in Bumpers and Parts for Motor Vehicles (870810)									
[Export for particular product from India to specific country]					[Import of particular product to the specific country from world].				
Column1	Column	Column	Column	Column	Column	Column7	Column8	Column	Column1
		(Xi)			870810		(Mi)		
Countries	2005	2006	2011	2012		2005	2006	2011	2012
USA	38.557	50.053	89.449	82.616		883.695	876.499	872.882	926.489
UK	5.914	4.231	5.725	6.823		208.578	244.361	316.786	248.337
France	0.668	0.776	8.735	3.652		154.892	151.717	214.607	211.968
Germany	2.083	4.179	19.715	5.341		248.793	298.67	437.327	455.187
Italy	9.859	14.174	17.167	11.015		97.345	121.79	162.567	126.318
Spain	0.393	0.784	3.933	0.855		112.548	71.58	197.381	151.57
Netherlands	1.04	1.004	3.399	0.701		106.577	81.5	141.774	112.159
Brazil	0.405	0.832	15.499	17.551		22.237	20.79	73.157	90.794
Japan	0.404	0.237	3.154	0.993		59.078	65.469	68.82	75.914
China	4.074	0.901	15.482	7.735		7.73	71.479	516	300.559
South Korea	0.164	0.925	0.214	0.143		9.478	29.57	52.492	
South Africa	10.247	12.982	4.156	4.183		25.5	29.562	42.0	2.313
Source: UN COMTRADE					(in USD Million)				

Analysis

Now, from Table 2, we can find that these twelve countries import for the research notified product is very vibrant through a long period of 2005 to 2012 and simultaneously, Indian export of the particular product to those countries is also vibrant.

In this situation when we calculate the penetration (Pi) by 'dividing Xi/Mi' it signals a positive trend towards India's favour.

Further, the Contribution (Ci) by 'dividing Xi / X' for the particular product also shows greater contribution with respect to total export percentage.

Again, for calculating 'Specialisation' (Ei), we bring out specific Country share 'Si' by dividing Mi / M, and then bring out Ei value by dividing Ci / Si.

As a result, when we find Specialisation ('Ei') value is higher than '1', we deduce India is having comparative Advantage on that product in the said period.

Table 3 shows the result for the year 2005.

Table 4 shows the result for the year 2006.

Table 5 shows the result for the year 2011.

And, Table 6 shows the result for the year 2012.

Table 3

	870810					
	2005					
Countries	Penetration	Contribution	Country share	Specialisation	Percentage	Remarks
	Pi = Xi / Mi	Ci = Xi / X	Si = Mi / M	Ei = Ci / Si	of Ei (%)	
USA	0.044	0.002	0.0005	4	400	Advantage India
UK	0.03	0.001	0.0004	2.5	250	Advantage India
Germany	0.008	0.0006	0.0003	2	200	Advantage India
France	0.004	0.0003	0.0003	1	100	Advantage India
Italy	0.1	0.004	0.0003	13.3	1330	Advantage India
Spain	0.003	0.0002	0.0004	0.5	50	Disadvantage India.
Netherlands	0.01	0.0004	0.0003	1.3	130	Advantage India
Japan	0.0068	0.0002	0.0001	2	200	Advantage India
China	0.06	0.0006	0.0001	6	600	Advantage India
Brazil	0.018	0.0004	0.0003	1.3	130	Advantage India
South Korea	0.017	0.0001	0.00004	2.5	250	Advantage India
South Africa	0.4	0.007	0.0005	14	1400	Advantage India

Analysis shows that, In 2005, India has disadvantage only with Spain.

Table 4

870810 2006						
Column1	Column2	Column3	Column4	Column5	Column6	Column7
Countries	Penetration	Contribution	Country share	Specialisation	Percentage	Remarks
	$P_i = X_i / M_i$	$C_i = X_i / X$	$S_i = M_i / M$	$E_i = C_i / S_i$	of E_i (%)	
USA	0.0571	0.0027	0.0005	5.4	540	Advantage India
UK	0.02	0.0008	0.0004	2	200	Advantage India
Germany	0.01	0.001	0.0003	3.3	330	Advantage India
France	0.006	0.0004	0.0003	1.3	130	Advantage India
Italy	0.1	0.004	0.0003	13.3	1330	Advantage India
Spain	0.006	0.0004	0.0004	1	100	Advantage India
Netherlands	0.1	0.0004	0.0002	2	200	Advantage India
Japan	0.0036	0.00008	0.00011	0.7	70	Disadvantage India
China	0.01	0.0001	0.00009	1.1	110	Advantage India
Brazil	0.04	0.0006	0.0002	3	300	Advantage India
South Korea	0.1	0.0004	0.00003	13.3	1330	Advantage India
South Africa	0.4	0.006	0.0004	15	1500	Advantage India

In 2006, India has comparative disadvantage only with Japan.

Table 5

870810 2011						
Column1	Column2	Column3	Column4	Column5	Column6	Column7
Countries	Penetration	Contribution	Country share	Specialisation	Percentage	Remarks
	$P_i = X_i / M_i$	$C_i = X_i / X$	$S_i = M_i / M$	$E_i = C_i / S_i$	E_i (%)	
USA	0.1	0.003	0.0004	7.5	750	Advantage India
UK	0.02	0.0006	0.0004	1.5	150	Advantage India
Germany	0.05	0.002	0.0003	6.67	6670	Advantage India
France	0.04	0.002	0.0003	6.67	6670	Advantage India
Italy	0.1	0.003	0.0003	10	1000	Advantage India
Spain	0.02	0.001	0.0005	2	200	Advantage India
Netherlands	0.02	0.0004	0.0003	1.3	130	Advantage India
Japan	0.046	0.0002	0.00008	2.5	250	Advantage India
China	0.06	0.003	0.0001	30	3000	Advantage India
Brazil	0.2	0.003	0.0003	10	1000	Advantage India
South Korea	0.007	0.00005	0.00006	0.8	80	Disadvantage India
South Africa	0.099	0.001	0.0004	2.5	250	Advantage India

In 2011, India has only comparative disadvantage with South Korea.

Table 6

			870810 2012			
Column1	Column2	Column3	Column4	Column5	Column6	Column7
Countries	Penetration $P_i = X_i / M_i$	Contribution $C_i = X_i / X$	Country share $S_i = M_i / M$	Specialisation $E_i = C_i / S_i$	Percentage of $E_i (\%)$	Remarks
USA	0.09	0.002	0.0004	5	500	Advantage India
UK	0.03	0.0008	0.0004	2	200	Advantage India
Germany	0.01	0.0007	0.0004	1.75	175	Advantage India
France	0.02	0.0007	0.0003	2.3	230	Advantage India
Italy	0.09	0.003	0.0003	10	1000	Advantage India
Spain	0.006	0.0003	0.0005	0.6	60	Disadvantage India
Netherlands	0.006	0.00007	0.0002	0.35	35	Disadvantage India
Japan	0.01	0.00007	0.00009	0.8	80	Disadvantage India
China	0.03	0.001	0.0002	5	500	Advantage India
Brazil	0.19	0.003	0.0004	7.5	750	Advantage India
South Korea	0.003	0.00004	0.0001	0.4	40	Disadvantage India
South Africa	0.99	0.0008	0.0004	2	200	Advantage India

But in the year 2012, India faces comparative disadvantage with four countries viz., Spain, Netherlands, Japan and South Korea.

CONCLUSION

To conclude as a result of the findings, we can say that the product 'Bumpers and parts thereof (ITC HS - 870810)' has Export (International) Competitiveness for India for a long period of time with major countries of globe barring a very few irregular changes here and there during a long period of time with inconsistent findings.

Here, we can also say that India has greater opportunity to increase the export share as more or less all the selected countries import for the particular product is increasing year to year basis but India failed to grab the opportunity for further export growth. Therefore, we can suggest overcoming the sluggish approach and should have more thrust on export.

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