Vehicle makers and their component partners will spend more this year than in previous years on new capacity creation, new products, and technology development, confident that they have entered a robust demand upcycle.

Rs 30,000 crore has been set aside for FY23, according to early capital expenditure (capex) forecasts offered by some of India’s top-listed automotive and automotive ancillary industries. Capex would be used by new factories from Maruti Suzuki, Tata Motors, and Mahindra & Mahindra (M&M), as well as growth of output at existing plants by JK Tyre and Ceat, as well as continued expenditures for new products and technology by all firms.

“We will be stepping up investments further between commercial vehicles and passenger vehicles and electric vehicles, and for electric in commercial vehicles as well. And therefore, we expect to see close to about ₹6,000 crore of capex spending in FY23,” said PB Balaji, CFO, Tata Motors said.