Indian Two-Wheeler Industry

International Transport Forum
Workshop on Motorcyclists Safety: Riding in a Safe System

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Society of Indian Automobile Manufacturers (SIAM)
Tables of Contents

▪ Regional facts and figures (countries, economic indicators, population, …)

▪ Motorcycle use (predominant use and type of motorcycles, PTW fleet size and trend, data on commercial operations)

▪ Motorcycle safety situation (accident/fatality trend and patterns, insights from research)

▪ Areas of attention, among others:
  - Inclusion in mobility policy, commercial operations
  - Training and licensing, and other user aspects
  - Road infrastructure situation and challenges
  - Technology, vehicle aspects and local/regional vehicle requirements
### SIAM Members

<table>
<thead>
<tr>
<th>Segment</th>
<th>Number of Players</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger Vehicles</td>
<td>20</td>
</tr>
<tr>
<td>Commercial Vehicles</td>
<td>11</td>
</tr>
<tr>
<td>Three-wheelers</td>
<td>6</td>
</tr>
<tr>
<td>Two-wheelers</td>
<td>12</td>
</tr>
<tr>
<td>Engine Manufacturers</td>
<td>3</td>
</tr>
</tbody>
</table>
Automotive Industry Contribution to India’s Economy

5th Largest Automotive Industry Globally

1. Contribution to Industrial GDP
   - 20%

2. Contribution to GDP
   - 6.4%

3. Contribution to Manufacturing GDP
   - 35%

4. Employment
   - Direct: 8.5 million
   - Indirect: 29 million

5. Exports
   - 8% of Total Export
   - $27 bn

6. GST Contribution
   - $20 bn
   - (15% of total Goods & Sales Tax Collection)

Source: SIAM Estimates of FY19
* Auto Industry’s GDP - Ratio of Auto Industry Turnover (Internal SIAM calculation) vis-à-vis Government of India’s GDP numbers – RBI Handbook / CMIE
  ● Employment, Exports and GST Contribution—SIAM Internal Estimates
GLOBAL RANKING: Indian Automobile Sector

1st TWO-WHEELER manufacturer

7% Contribution of 2W to manufacturing GDP

2% Contribution of 2W to GST revenues

5th Largest CAR manufacturer

5th Largest COMMERCIAL VEHICLE manufacturer
Growing urbanization, rising participation of women workforce and improvement in road connectivity amongst others are key catalyst to drive improvement in penetration levels for two wheelers in India.
Vehicle Registrations & Sales

Source: Economic Survey of India 2019-20 and Ministry of Road Transport and Highway Annual report 2019
Note - Per capita incomes are for financial years while vehicle registration data are for calendar years.
Last Decade Trends

Exports mainly to African, Asian and Latin American countries, ~37.5%, 22.9% and 21.4%, respectively.

Exported to over 145 countries

<table>
<thead>
<tr>
<th></th>
<th>Country</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Nigeria</td>
</tr>
<tr>
<td>2</td>
<td>Colombia</td>
</tr>
<tr>
<td>3</td>
<td>Nepal</td>
</tr>
<tr>
<td>4</td>
<td>Bangladesh PR</td>
</tr>
<tr>
<td>5</td>
<td>Philippines</td>
</tr>
<tr>
<td>6</td>
<td>Sri Lanka DSR</td>
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<tr>
<td>7</td>
<td>Kenya</td>
</tr>
<tr>
<td>8</td>
<td>Mexico</td>
</tr>
<tr>
<td>9</td>
<td>Uganda</td>
</tr>
<tr>
<td>10</td>
<td>Guatemala</td>
</tr>
</tbody>
</table>

Source: SIAM Statistical Report & Analysis
2W : India’s Primary Mode of Transport – Option 2

- 33% Owners use 2W for daily work commute
- 60% Households in rural areas possess a 2W
- 3-5L Annual income of households driving most 2W sales
- 70% 2W sales are outside million+ cities
- 33% 2W AT rider share

- Important “drivers” for consumer choice
  - High fuel efficiency
  - Ease of handling, better balance and larger wheels
  - Adequate performance levels

2 Tr+ Pass kms

6:1 2W:4W ratio in India
Mobility Challenges in India

- Broadly there are 4 Concerns, which are posing Mobility Challenge in India

**Traffic Concerns**
- Congestion
- Traffic Mix
- Pedestrian Safety

**Regulatory Concerns**
- Mindset towards traffic rules
- Driving Indiscipline
- Overspeeding

**Infrastructural/Other Concerns**
- Pollution
- Potholes
- Dimly lit roads

Road Accident are the #1 Cause of death among those aged 15-29 years. As per World Bank Report of 2019, socio-economic cost of road crashes at 3.14% GDP
Road Accidents & Fatalities

Share of Road Fatalities in 2019

Fatalities Classified by impacting vehicle type (2W vs Victim Vehicle)

- 43% increase in sales from ‘13 to ’19
- Reduction trend in no. of accidents
- Fatalities remained constant despite increase in vehicle volumes & road length

Source: MoRTH Report 2019
National Road Safety Policy

**Improved Infrastructure**

**Upgradation of vehicle technology**

**Stricter Fines & Penalties**

- Driver Education & Training Programs
- Intelligent Camera
- Helmet Supply with 2W Sale
- Education
- Enforcement
- Engineering (Roads)
- Engineering (Vehicles)
- Emergency care
- Enactment
Building the Nation, Responsibly

• With high volumes of 2W in the country, 2W regulations are constantly evolved and revised from time to time.

• Unique design system for greater safety
  • Protective device
  • First Aid Kit
  • Gradeability
  • Spray suppression system
  • Wheel Rims
  • Brake hose

• Currently, a lot of focus is being given to alternate fuel vehicles, such as ethanol – E20/E100.

• Stricter penalties & fines for traffic violations through Motor Vehicle Act amendment Act

• Sale of helmets with 2W mandated as a rule to ensure investment by customer into road safety.

• PM Sadak Yojna (Road Planning) to connect villages for increased penetration of 2W in the rural infrastructure.

• Draft Rules for Automated Testing Stations have been notified by Transport Ministry for implementation.

• Draft Rules for Registered Vehicle Scrapping Facility have been notified by Transport Ministry
Proposed Training & Testing System

**Objective**: To Provide the Safety Driving Training to all category of vehicles (Theory + Practical)

**Current Licence System**

<table>
<thead>
<tr>
<th>Learner Licence - Apply</th>
<th>Theoretical Test</th>
<th>Learner Licence</th>
<th>Practical Test</th>
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<tr>
<td>Apply for Learner Licence</td>
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<tr>
<td>Fail Result Pass</td>
<td></td>
<td></td>
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**Proposed Licence System**

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<tr>
<td>Fail Result Pass</td>
<td>Compulsory Practical Training</td>
<td>Testing on Digital Track</td>
<td>Compulsory Counselling / Theory Training</td>
<td></td>
</tr>
</tbody>
</table>

2Hrs
Road Safety Awareness Program before learning License application.

**Learner Licence Applicants Passing %**

- Apr-Oct'18: 66%
- Mar'19: 82%
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<th>Outreach</th>
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<tr>
<td>Helmet Usage at dealerships &amp; workshop</td>
<td><strong>20,000,000</strong> people</td>
</tr>
<tr>
<td>Awareness Programs for Students</td>
<td><strong>1.1 mn</strong> students</td>
</tr>
<tr>
<td>Road Safety Awareness Program in WB</td>
<td><strong>43,235</strong> people engagement</td>
</tr>
<tr>
<td>Enhancing Rider Skills</td>
<td><strong>14,326</strong> Riders</td>
</tr>
<tr>
<td>Training with special focus on female driver</td>
<td><strong>13,265</strong> participants</td>
</tr>
<tr>
<td>Training on Riding Simulator</td>
<td><strong>3,268</strong> participants</td>
</tr>
<tr>
<td>Road Safety Workshops &amp; Conferences</td>
<td><strong>117</strong></td>
</tr>
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**No. of Traffic Parks – 18**

**Cumulative No. of trainees in Traffic Park – 2.4 million+**

http://www.mela.tv/events/siam/roadsafetyedu-2021
Moving together, moving ahead.