

Market for gas powered vehicles in India

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Introduction

India as the second largest population will be an important market for the Automotive Industry. While the market of passenger vehicles is dominated by foreign players the truck and bus sector is in Indian hands. Despite the size of the country the penetration with vehicles is still low compared to other fast moving economies like China. Still western OEM can't ignore this market and wait – they have to act now. This is also valid for the CNG-sector as India is counting for more than 8% of the total world market of gas powered vehicles.

Main drivers for the use of gas powered vehicles are still the legislation in certain mega cities and the lower operation costs compared to gasoline and diesel. But the awareness for environment protection in the public is growing and leading to more sales of gas powered passenger cars while the pollution caused by Diesel buses in the mega cities has enforced their replacement by CNG buses.

The use of CNG in the country is limited by the existence of gas stations. As national road conditions are still poor the supply relies mainly on the new gas pipeline.

The market is divided in a retrofit segment and the in-line integration. Driven by new regulations for On board diagnosis and the aim of the government to close the technology gap to the western countries, the Indian OEM have to implement modern solutions. This is adding pressure to the local suppliers of systems and components. Their challenges are the relatively low sales numbers and the target prices of the OEM and end customers. While major components are still mainly imported, peripheral parts are already manufactured in India.

Inhalt / Contents

- The general vehicle market in India – production and sales
- The market for gas powered vehicles in India – production and sales
Divided into Passenger Cars, Busses and other segments including Non Automotive
- India's position in the world wide market for gas powered vehicles
- Driving forces for gas powered vehicles in India
- Requirements of the Indian market
- OEM's, Tier 1 and their products in the Indian market
- Activities in Hybrid and Hydrogen technologies
- The push for localization – reasons and requirements

Example: India – The vehicle market

- India is one of the fastest growing markets globally: 2.6 Million passenger cars were sold in 2012, until 2017 this segment should increase to 5 Million.
- Largest market for 2- and 3-wheelers
- Second largest bus production (53,248 units in 2012) after China
- Fifth largest Heavy truck production (270,266 units in 2012) after China, USA, Japan and EU
- **Fifth largest market for gas powered vehicle worldwide after Iran, Pakistan, Argentina and Brazil**
- Increase in international purchase activities by western OEM in India

→ Growth for system- and part suppliers

- Growth takes mainly place in the small and compact passenger car and the Commercial vehicles segment
- Passenger cars: 70% in Japanese and Korean hands, only 12% in Indian – keep contact also with foreign head quarter
- Commercial vehicles: Nearly complete in Indian hands – deal with Indian head quarter

Example: Vehicle sales in India

04/2006 – 03/2013

Automobile Domestic Sales in number of vehicles							
Category	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Passenger Vehicles	1.379.979	1.549.882	1.552.703	1.951.333	2.501.542	2.618.072	2.686.429
Commercial Vehicles	467.765	490.494	384.194	532.721	684.905	809.532	793.150
Three Wheelers	403.910	364.781	349.727	440.392	526.024	513.251	538.291
Two Wheelers	7.872.334	7.249.278	7.437.619	9.370.951	11.768.910	13.435.769	13.797.748
Total	10.123.988	9.654.435	9.724.243	12.295.397	15.481.381	17.376.624	17.815.618

Source: Society of Indian Automotive Manufacturing (SIAM)

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Example: Driving forces in the Indian market for gas powered vehicles

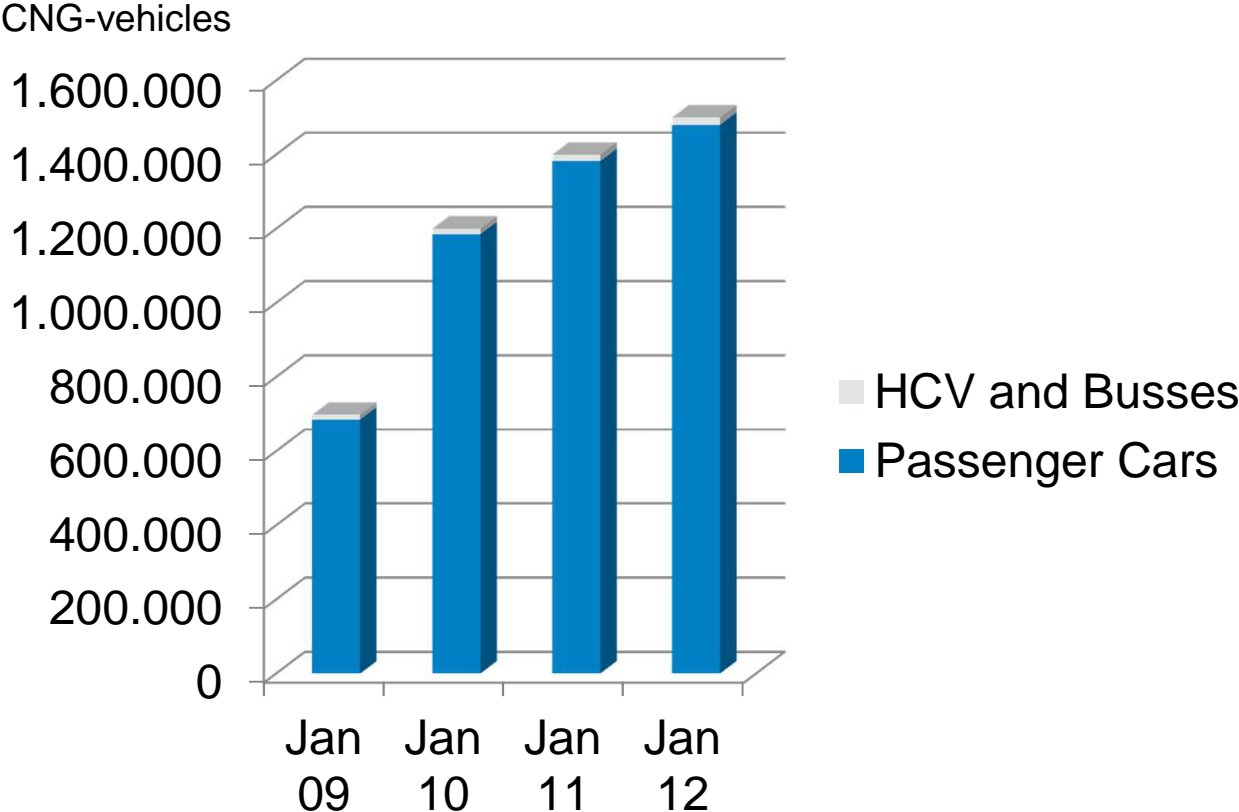
Environmental issues in the Megacities

- NCR (National Capital Region) was the first metropolitan area in India which changed to CNG operated buses and rickshaws for public transport. Since 2002 all buses, taxis and auto-rickshaws are running on CNG.
- DTC (Delhi Transport Cooperation) operates the world largest fleet of CNG-buses (more than 5,700). In 2010 alone 2,200 CNG-buses were ordered because of the Commonwealth Games.
- 100% of new orders in public transport have to run on CNG
- Additional 60,000 CNG-LCV are in use in NCR
- Other metropolitan areas already followed or will in the near future:
 - Mumbai has today 2,200 CNG-buses in operation
 - Hyderabad plans to buy 6,000 CNG-buses over the next years
- Reducing emission is one key trend in the Indian Automotive market



Example: India's push for localization of components

Growth and absolute numbers will allow local manufacturing in the near future



Ihr Ansprechpartner für diese Studie / Your contact for this Survey



If you need an inside view of the Indian market for your products or company strategy please contact me.

This survey will be adapted to your special needs and requirements and enhanced by new developments and information.

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