

Online and Print Coverages of Rane TRW Steering Systems P Ltd. (OSD) Airbag Plant with quote of Mr.Harish Lakshman - 14 September 2015

1. Reuters.com

Air bag makers eye boost from new India road safety rules

<http://in.reuters.com/article/2015/09/13/india-safety-airbags-idINL4N11E2J920150913>

2. Hindustan Times

New road safety rules boost airbag producers to make in India

<http://www.hindustantimes.com/htauto-topstories/new-road-safety-rules-boost-airbag-producers-to-make-in-india/article1-1389968.aspx>

3. The Hindu.com

Air bag makers eye boost from new India road safety rules

<http://www.thehindu.com/business/Industry/air-bag-makers-eye-boost-from-new-india-road-safety-rules/article7648775.ece>

4. Business Today

Air bag makers eye boost from new road safety rules

<http://www.businesstoday.in/sectors/auto/air-bag-makers-eye-boost-from-new-road-safety-rules/story/223693.html>

5. ET Auto.com

Air bag makers eye boost from new India road safety rules

<http://auto.economictimes.indiatimes.com/news/industry/air-bag-makers-eye-boost-from-new-india-road-safety-rules/48941699>

6. Business Standard.com

Air bag makers eye boost from new India road safety rules

http://www.business-standard.com/article/current-affairs/air-bag-makers-eye-boost-from-new-india-road-safety-rules-115091300049_1.html

7. Gulf Times.com

Airbag firms eye boost from tougher road safety rules

<http://www.gulf-times.com/india/185/details/454860/airbag-firms-eye-boost-from-tougher-road-safety-rules>

8. Business Line.com

Air bag makers eye boost from new India road safety rules

<http://www.thehindubusinessline.com/companies/air-bag-makers-eye-boost-from-new-india-road-safety-rules/article7648107.ece>

9. First Post.com

As India tightens road safety rules, global air bags makers eye \$2 bn opportunity

<http://www.firstpost.com/business/as-india-tightens-road-safety-rules-global-air-bags-makers-eye-2-bn-opportunity-2432338.html>

SAFETY MEASURES

By 2020, overall revenues from air bag sales in India are set to rise 11% a year to hit \$2 b

Air bag makers bet on new road safety rules

The world's largest air bag suppliers are setting up plants and ramping up capacity in India, eyeing a \$2 billion opportunity thanks to tougher rules aimed at improving one of the world's worst road-safety records.

In India, a person is killed in a road accident every four minutes — 1.41 lakh in 2014 — yet less than a third of the 2.6 million cars sold each year have air bags in this cost-conscious market.

But a planned law that will impose crash test standards by 2017 is creating an opportunity for makers of safety equipment, as cars without air bags will achieve only the lowest safety ratings after tests. That, for the first time, will force consumers to directly consider the risks they run by buying cheap.

By 2020, overall revenues from airbag sales in India are set to rise 11 per cent a year to hit \$2 billion, outpacing the 9 per cent growth expected in China, according to data from Transparency Market Research. By then, India is expected to be selling over 5 million cars a year.

Some of the world's largest air bag makers — Autoliv Inc, Takata Corp, TRW Automotive Inc and Toyoda Gosei Co — are already gearing up to cash in.

"(This is a) good time to build capacity and the right time to invest to grow the business," said Harish Lakshman, Managing Director of air



→ Government plans tougher rules to improve road safety

→ Air bag revenues in India to grow faster than in China

→ TRW, Toyoda Gosei setting up plants, increasing capacity

bag maker Rane TRW Steering Systems Ltd., a joint venture between the U.S.-based TRW and Rane Holdings Ltd.

The company opened a new air bag assembly plant in August in southern India with capacity to make 5 lakh units a year.

Toyoda Gosei Minda India, a joint venture between the Japanese company and India's Uno Minda, which has a 25 per cent market share, plans to increase its capacity by up to six times to 1.50 lakh air bags over the next two to three years, group Chairman N. K. Minda told Reuters.

Analysts say others will follow, setting up in India to keep costs as low as possible.

"We expect that within five years

the large airbag makers will have a manufacturing hub in India," said Ayay Bandopadhyay, automotive research analyst at Transparency Market Research.

Crash tests

Air bags in India are expensive mainly because most of the parts, such as inflators, are imported. And without rules imposing their use in a country of poorly maintained vehicles and overcrowded, badly lit and potholed roads, carmakers often opt not to add a costly component that could drive up prices.

"I think we have made automobiles in India too cheap," said Vijay Chhibber, Secretary for the Road Transport and Highways Ministry.

"In trying to make everything cheap, if we are going to reduce our safety standard it is not worth it."

The new rules, part of the Road Transport and Safety Bill, do not directly propose airbags, but instead make crash tests mandatory for new models sold in India from October 2017. — Reuters

(THIS IS A) GOOD TIME TO BUILD CAPACITY AND THE RIGHT TIME TO INVEST TO GROW THE BUSINESS.

— HARISH LAKSHMAN, MD, Rane TRW Steering Systems Ltd



Airbag makers eye \$2bn boost from new road safety rules

New Delhi: As India gears up for tougher rules aimed at improving one of the world's worst road-safety records, some of the largest airbag suppliers are setting up plants and ramping up capacity in the country, eyeing a \$2 billion opportunity.

Some of the world's largest airbag makers—Autoliv, Takata, TRW Automotive and Toyota Gosei—are already gearing up to cash in. But a planned law that will impose crash test standards by 2017 is creating an opportunity for makers of safety equipment, as cars without airbags will achieve only the low-

est safety ratings after tests. That, for the first time, will force consumers to directly consider the risks they run by buying cheap.

By 2020, overall revenues from airbag sales in India are set to rise 11% a year to hit \$2 billion, outpacing the 9% growth expected in China, according to data from Transparency Market Research. By then, India is expected to be selling over 5 million cars a year. “(This is a) good time to build capacity and the right time to invest to grow the business,” said Harish Lakshman, MD of airbag maker Rane TRW Steer-

ing Systems Ltd, a JV between US-based TRW and Rane Holdings Ltd. The company opened a new airbag assembly plant in August with capacity to make 500,000 units a year, investing Rs 180 million (\$2.7 million).

It expects revenues from the airbag unit to hit Rs 3.5 billion by 2020, from 400 million rupees today. Toyoda Gosei Minda India, a JV between the Japanese company and India's Uno Minda, which has a 25% market share, plans to increase its capacity by up to six times to 150,000 airbags over the next two to three years, group chairman N K Minda said. REUTERS

Airbag makers queue up as India tightens road safety rules

REUTERS

New Delhi, September 13

The world's largest airbag suppliers are setting up plants and ramping up capacity in India, eyeing a \$2-billion opportunity thanks to tougher rules aimed at improving one of the world's worst road-safety records.

In India, a person is killed in a road accident every four minutes — 1,41,000 in 2014 — yet less than a third of the 2.6 million cars sold each year have airbags in this cost-conscious market.

But a planned law that will impose crash test standards by 2017 is creating an opportunity for makers of safety equipment, as cars without airbags will achieve only the lowest safety ratings. That, for the first time, will force consumers to consider the risks they run by buying cheap.



Ballooning market Rane TRW Steering System's airbag plant at Singaperumal Koil near Chennai REUTERS

By 2020, revenues from airbag sales here are set to rise 11 per cent a year to hit \$2 billion, outpacing the 9 per cent growth expected in China, according to data from Transparency Market Research.

Some of the world's largest airbag makers — Autoliv Inc ,

Takata Corp, TRW Automotive Inc and Toyoda Gosei Co — are already gearing up to cash in.

“(This is a) good time to build capacity and the right time to invest to grow the business,” said Harish Lakshman, MD of airbag maker Rane TRW Steering Systems

Ltd, a joint venture between US-based TRW and India's Rane Holdings Ltd.

The company opened a new airbag assembly plant in August at Singaperumal Koil in Tamil Nadu with the capacity to make 5,00,000 units a year, investing \$2.7 million. Toyoda Gosei Minda India, a 75:25 joint venture between Japanese firm Toyoda and domestic major Uno Minda, plans to increase its capacity six times to 1,50,000 airbags in two to three years, said Group Chairman NK Minda.

Low costs

Analysts say others will follow, setting up in India to keep costs as low as possible.

“We expect that in five years airbag majors will have a manufacturing hub in India,” said Ayay Bandopadhyay, auto research analyst at Trans-

parency Market Research.

Airbags in India are expensive mainly because most of the parts, such as inflators, are imported. And without rules imposing their use in a country of poorly maintained vehicles and overcrowded, badly lit and potholed roads, carmakers often opt not to add a costly component that could drive up prices.

“I think we have made automobiles in India too cheap,” said Vijay Chhibber, Secretary for the Road Transport and Highways Ministry. “In trying to make everything cheap, if we are going to reduce our safety standard it is not worth it.” The new rules, part of the Road Transport and Safety Bill, do not directly propose airbags, but instead make crash tests mandatory for new models sold in India from October 2017.

Airbag makers eye boost from new Indian road safety rules

ADITI SHAH

Reuters

THE world's largest airbag suppliers are setting up plants and ramping up capacity in India, eyeing a \$2 billion opportunity thanks to tougher rules aimed at improving one of the world's worst road-safety records.

In India, a person is killed in a road accident every four minutes — 141,000 in 2014 — yet less than a third of the 2.6 million cars sold each year have airbags in this cost-conscious market.

But a planned law that will impose crash test standards by 2017 is creating an opportunity for makers of safety equipment, as cars without airbags will achieve only the lowest safety ratings after tests. That, for the first time, will force consumers to directly consider the risks they run by buying cheap.

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BLOODY PATH: Road accidents kill one person every four minutes

Transparency Market Research. By then, India is expected to be selling over 5 million cars a year. Some of the world's largest airbag makers — Autoliv, Takata, TRW Automotive and Toyota Gosei — are already gearing up to cash in.

"(This is a) good time to build capacity and the right time to invest to grow the business," said Harish Lakshman, managing director of airbag maker Rane TRW Steering Systems, a joint venture between US-based TRW and India's Rane.

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ing Rs 180 million. It expects revenues from the airbag unit to hit Rs 3.5 billion by 2020, from Rs 400 million today.

Toyota Gosei Minda India, a joint venture between the Japanese company and India's Uno Minda, which has a 25 per cent market share, plans to increase its capacity by up to six times to 150,000 airbags over the next two to three years, group chairman NK Minda told Reuters.

Analysts say others will follow, setting up in India to keep costs as low as possible. "We expect that within five years the large airbag makers will have a manufacturing hub in India," said Ayay Bandopadhyay, automotive research analyst at Transparency Market Research.

Airbags in India are expensive mainly because most of the parts, such as inflators, are imported. And without rules imposing their use in a country of poorly maintained vehicles and overcrowded, badly lit and potholed roads, car-makers often opt not to add a costly component that could drive up prices.

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CRASH TEST DUMMIES

- 141,000 road deaths in India last year
- Government plans tougher rules to improve road safety
- Air bag revenues in India to grow faster than in China
- TRW, Toyoda Gosei setting up plants, increasing India capacity
- Quality of made-in-India air bags a concern for carmakers

India's Rane Holdings Ltd.

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makers often opt not to add a costly component that could drive up prices.

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"In trying to make everything cheap, if we are going to reduce our safety standard it is not worth it." The new rules, part of the Road Transport and Safety Bill, do not directly propose airbags, but instead make crash tests mandatory for new models sold in India from October 2017.

"An air bag is only an instrument of road safety," Chhibber said. The new rules will be discussed in India's upper house of parliament this year before they become law.

Quality issues will be a concern for carmakers, however.

Japan's Takata hit headlines after carmakers recalled millions of cars to replace air bags made by the company after some exploded too violently, spraying shrapnel into passenger compartments. Eight deaths and more than 100 injuries have been linked to faulty Takata inflators.

In India, makers including Honda, Toyota and Nissan recalled cars after the Takata defect was reported.