

2W firms' plea against ABS installation junked

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The Ministry of Road Transport and Highways (Morth) has turned down a plea by two-wheeler (2W) companies to not make installation of anti-lock braking systems (ABS) on all new 2Ws — internal combustion engine (ICE) or electric — above 50 cc or with speeds over 50 kmph mandatory from January 1, 2026.

The move, if implemented, will require 2W companies to fork out around ₹7,300 crore annually to make the vehicles safer. The draft mandate requires all ICE 2Ws below 125 cc and electric below 11 kWh to install ABS. Earlier it was mandated for 2Ws over 125 cc only and electric above 11 kWh. If implemented, the new rule will impact 77 per cent of the sales of 2Ws below 125 cc, and in electric, mostly all the vehicles in a 20 million per annum market.

Companies say that it would cost them an additional ₹3,500-6,000 per vehicle, depending on the model or whether it is electric or an ICE vehicle, so they will have no choice but to increase prices.



Braking bad

- 2-wheeler firms say it will cost an additional ₹3,500-6,000 per vehicle
- This cost won't be absorbed in lower-end models, they say, and will be passed on to consumers
- Morth says no compromise possible on safety
- Additionally, companies fear dependence on China for rare earth magnets which are used in the system

The message was conveyed by the ministry in a closed-door meeting with top executives of leading 2W companies, including Bajaj, Ather, Hero Motocorp, TVS, Suzuki, and Honda. The meeting was also attended by representatives of the Society of Indian Automobile Manufacturers (Siam).

The draft guidelines were released by Morth on June 23 but companies complained that this would lead to a substantial increase in the price of 2Ws, especially when the overall market is

not growing fast enough.

Installation of ABS would not be an easy task because of the geopolitical scenario as it also require rare earth magnets, which are controlled by China. And China has stopped delivery of the magnets since April 4, putting production of motors for vehicles across sectors in jeopardy.

As a result, many 2W players say that they might have no option but to import the entire system from Chinese manufacturers like SAFE Barks, DEP-

CON Huai Automotive, and others, who have control over the magnets, rather than manufacturing the same in the country. German companies like Bosch, Continental, and ZF Friedrichshafen also make the system but they too require the magnets.

Confirming the development, a senior executive of a leading 2W company said: "Morth was clear that there will be no relaxation on the draft guidelines as it wants India to follow the best global standards of safety. The industry had requested that there should be a study of the data to see whether without ABS we have higher number of accidents compared to global norms."

The impact of the increase in cost of production will be more pronounced on lower-end models. That is because the price of the kit is same for higher-end and lower-end models.

A top executive of a company, which is in both ICE and electric 2Ws, said: "The impact will differ based on each original equipment manufacturer (OEM) and each product, but it will be more difficult to absorb the cost on lower-priced products than on higher-priced ones."