

# One in three households in India owns a two-wheeler

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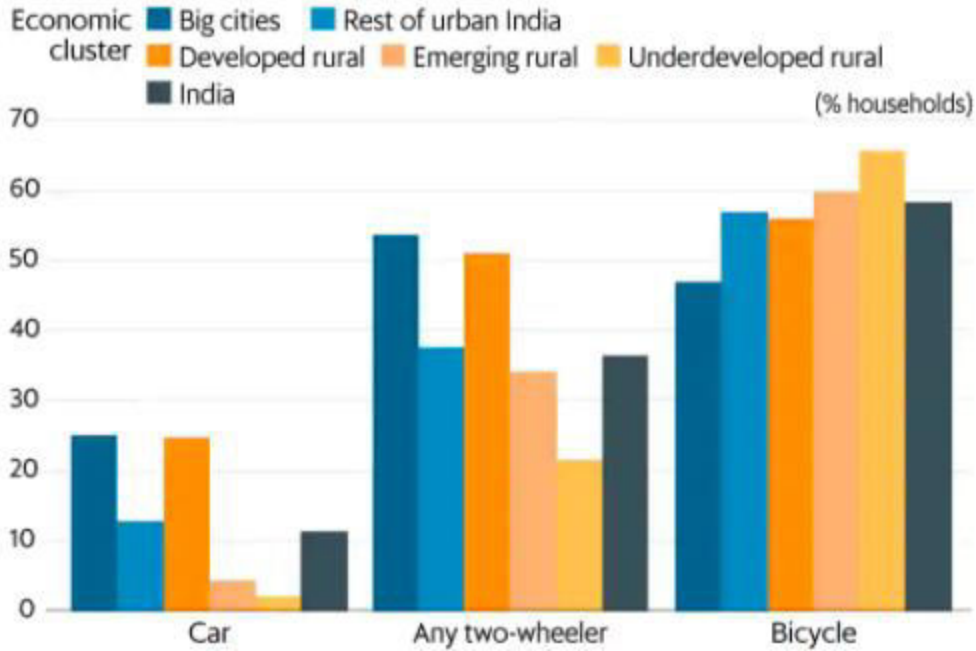
Households in the top quintile account for a majority of the cars and more than a third of two-wheelers in the country. Photo: Reuters

**New Delhi:** The proportion of car-owning households in the country was 5%, according to the 2011 census data. That proportion has more than doubled, and stands at 11% today as per the ICE 360° survey 2016. The proportion of two-wheeler owners has increased 15 percentage points to 36%, while the proportion of bicycle owners has increased 13 percentage points since 2011 to 58%, the survey shows.

Households in the top quintile account for a majority of the cars and more than a third of two-wheelers in the country. The top 10% accounts for 46% of the cars and 22% of two-wheelers in India. The bottom quintile, which is the poorest 20%, accounts for a majority of the bicycles in the country, as per the survey. Households having a motorcycle or a scooter or a scooty or a moped have been categorized as owning a two-wheeler in this analysis.

# A country of bikers

A majority of households in India own a bicycle. Half the households in both big cities and developed rural areas own a two-wheeler.

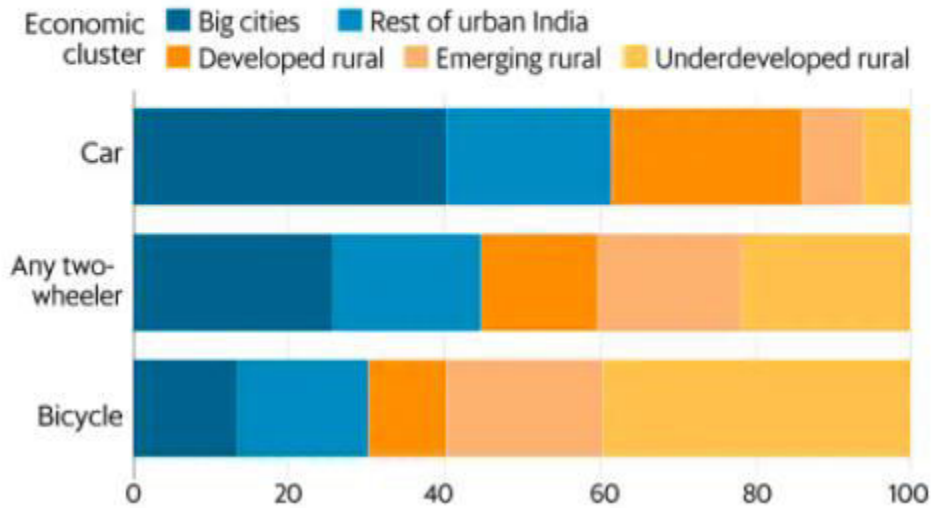


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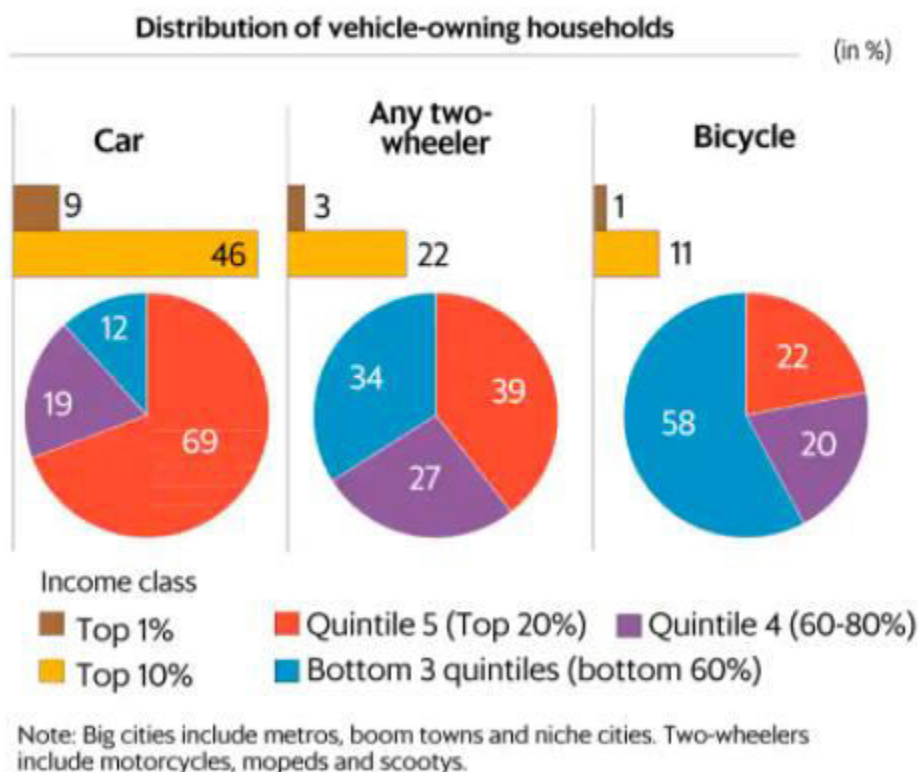
A majority of car owners live in urban India while a majority of two-wheeler owners live in rural India.

## Distribution of vehicle-owning households

(in %)



The top quintile accounts for 69% of cars and 39% of two-wheelers in the country.



A notable feature of the ICE 360° survey is that it is representative at the level of economic clusters. Urban India has been divided into four clusters: metros (population more than 5 million), boom towns (2.5 to 5 million), niche cities (1 to 2.5 million) and other urban towns (less than 1 million).

Based on a district development index, rural India has been sub-divided into three different clusters: 'developed rural', 'emerging rural', and 'under-developed rural'. The first category includes districts such as Bathinda (Punjab) and Kangra (Himachal Pradesh). The second category includes districts such as Latur (Maharashtra) and Kamrup (Assam) while the last category includes districts such as Kalahandi (Odisha) and Bastar (Chhattisgarh).

Big cities, which include all million-plus cities (metros, boom towns, and niche cities), together account for 40% of car owners. Developed rural areas account for a greater share of car owners in the country than smaller urban centres, the survey shows.

More than half of the households in developed rural areas own a two-wheeler, and roughly a quarter of them own a car. The comparative ratios for metros are nearly identical. The share of households owning a two-wheeler in emerging rural areas is only a little less than the share of households owning a two-wheeler in smaller urban centres, the ICE 360° survey shows.

A two-wheeler is the vehicle of choice for most Indians in their daily commute to work, the survey suggests, followed by the bicycle. Thirty-three per cent of Indians use a two-wheeler to reach work while 31% use a bicycle. Fourteen per cent reach work by a public bus while only 3% use a local train (or metro) to reach their place of work.

The bicycle is the vehicle of choice for the poorest quintile for their daily commute while for the richest quintile the two-wheeler is the vehicle of choice for reaching work. More among the rich use public transport for their daily commute compared to the poor. The proportion of people in the top quintile who use public transport to reach work is nearly twice the proportion of people in the bottom quintile who use public transport for their commute to work.