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Hindustan Motors prices new Ambassador Encore under Rs 5 lakh, The Times Of India, September 01

KOLKATA: Introducing the BS IV 1.5 litre Ambassador taxi more than three years late, Hindustan Motors priced the vehicle aggressively under Rs 5 lakh to compete with other vehicles, including the Maruti Suzuki Dzire Tour, that have been allowed into the taxi segment.

Christened Ambassador Encore, bookings for the vehicle targeting the new 2,000 unit no-refusal taxi market will begin from Monday. The state government will issue further 2,000 permits in November.

HM is also offering the new vehicle in the replacement taxi segment at an attractive exchange price.

Uttam Bose, managing director & CEO, Hindustan Motors Ltd, claimed it was a game-changing offer. "The company made significant investment in terms of money and man hours to upgrade its BS III 1.5-litre diesel engine to BS IV standards and OBD 2 level. Yet it has chosen not to pass on the expenditure to customers. Through value engineering and cost-efficient manufacturing, HM is able to offer Ambassador Encore at this low price without compromising quality."

Hindustan Motors' national sales head Chandan Bose formally announced the price at a meeting of office-bearers of the state's different taxi associations. According to Bimal Kumar Guha, general secretary of Bengal Taxi Association, "The new vehicle offers higher power and torque, better vehicle control with power steering, improved gradient negotiating capacity and overall better driveability with no compromise on fuel consumption. The smoke issue has also been resolved by the BS IV engine."

Tarak Nath Bari, secretary of Calcutta Taxi Association, stated, "Ambassador Encore is positively better than the current BS III vehicle. It fully matches the technical specifications provided by HM and certified by ARAI. It is real value for money and will positively make better business sense to buyers, particularly in the taxi segment. Kolkata had been waiting for BS IV diesel Ambassador for quite some time."

The company officials felt Ambassador Encore had opened up the 16 cities where HM was unable to sell the car since BS IV came into effect in April 2010. In Kolkata, the company managed to get successive waivers from the state government so that it could sell the BS III vehicle in the taxi replacement segment.

According to the company spokesperson, production at the Uttarpara plant is being ramped up in anticipation of a strong demand for the Encore. Several other steps are being taken on the financing, servicing, marketing and other fronts to facilitate transactions for buyers, he said.

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