

HM to launch retro car

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It seems Indian automakers are now going back to the future—a la retro style, equipped with future-ready technologies, to relive the past while being in the present. Earlier, Royal Enfield, one of the oldest bikemakers in India, came out with a retro bike—Classic—in 350cc and 500cc engine specifications, which became a runaway hit. And now it's India's oldest carmaker, Hindustan Motors, which is following a similar strategy. A senior official of the company has told Motown India that it is developing a new car based on the Ambassador's platform that will have a retro design and equipped with cutting-edge technologies. The unchristened passenger car, which is likely to sport a new brand, will also be packed with state-of-the-art features in its interiors. The Kolkata-based company has also indicated that it is in talks with a couple of European companies to license powertrain technologies from them for its proposed new car. HM may also import engines from these companies in the initial phase, though nothing has been decided yet. The CK Birla Group company has, however, maintained that the car will be highly indigenised. The prices, variants, and the other details of the retro car have not been revealed yet.

To be rolled from Hindustan Motors' existing plant at Uttarpara in West Bengal, the car will be available by either 2011-end or early 2012. However, the company has maintained that the existing 'Ambassador', which will be available in a BS-IV avatar soon, will not be discontinued from the market. As far as the car's looks are concerned, the spokesperson has maintained that Hindustan Motors has outsourced the design to an agency based in Pune. However, the carmaking giant has also stated that it is open to hiring

auto styling experts from overseas firms. It may also look at joint-development of the product with inputs from both domestic and overseas design firms.

The official spokesperson of Hindustan Motors said, "We are indeed working on a retro car. It will create a benchmark in terms of design, technology, features, etc. The new car, which is likely to sport a new brand, will undergo the most ambitious makeover. While the Ambassador's platform and overall dimensions will be retained, the exteriors and interiors of the proposed car will be remarkably different. To stay ahead of the curve, the 5-door passenger car will be powered a BS-V compliant 1.5 litre and 2.0 litre diesel and also 1.8 litre petrol engines. The next-generation engines will be powerful, eco-friendly and lightweight."

This will be the company's third brand after the iconic Ambassador (launched in 1958) and the Contessa, which was launched in 1984 and later officially withdrawn in 2003. The move is in sync with the company's long-term plans to enhance its presence in the personal car segment, which currently contributes only 25 pc of its total turnover.

Recently, Hindustan Motors' new Managing Director Manoj Jha told newsmen in Kolkata that the company is gearing up to launch six to seven variants in the next 15-20 months. He has also maintained that all the variants will have a distinct look. "There would be four new variants of the Ambassador of which two would be based on a completely new engine platform. We would start rolling out these new variants from April 2011," Jha was quoted as saying to reporters recently. He added, "We may introduce a new brand as well. We will use the Ambassador brand for other variants."



HM the move comes in the wake of HM undergoing a financial restructuring in the current quarter that resulted in infusion of Rs. 40 crore in the company (through sales of property and stake in Avtec) and would be

spending Rs. 25-30 crore during FY'11 to revamp its operations and enhance its output. The company's units at Uttarpara, Chennai and Indore would be even by the end of this fiscal. "All our verticals would be cash-

with a new brand



positive by the fourth quarter," said Jha.

Separately, the 70-year old company is also in talks with overseas OEMs to take up contract manufacturing at its Chennai plant. Jha was quoted

as talking to reporters in Kolkata, "We are in exploratory talks with a clutch of overseas carmaking companies to take up contract manufacturing at our under-utilised Chennai plant. Having said that, we are in constant

discussions with Mitsubishi Motors to explore the possibility of jacking up the number of units churned out of the plant." It is to be mentioned that the plant currently makes Mitsubishi's Lancer and Cedia sedans along

with Pajero and Outlander utility vehicles.

During the last financial year, Hindustan Motors manufactured only 4,000 units out of the total installed capacity of 25,000 units per annum.