

## **New Ambassador variant in Dec**

Friday, November 19, 2010

The first prototype of a new variant of the Ambassador, the flagship car of the C.K. Birla group-owned Hindustan Motors, will be out by this December, a senior company official said

'Our promise to introduce a new variant of Ambassador is very much on track and its prototype will come out this December. And by the first quarter of the next fiscal we will be able to launch the new variants,' the firm's managing director Manoj Jha told reporters after the inauguration of the Hindustan Motors pavilion at the second Regional Auto Show East.

'All the new variants of the Ambassador will be available with an engine size ranging between 1500 cc to 2000 cc,' he said

He also said in the previous fiscal, the company had sold 8,000 units of the Ambassador, while it expects the sales to cross 10,000 units this fiscal.

'The company is mulling options to manufacture a hatchback car in the coming months. However, the manufacture of the car will be based mainly on the feedback from customers and we will introduce a totally new variant of ambassador, the design of which is being done by a Pune based company,' Jha said.

Hindustan Motors, which had launched the diesel and CNG variants of its light commercial vehicle (LCV), Winner XD, will also manufacture two tonne payload capacity LCVs in the coming months.

'We are looking for a pan India presence with the introduction of the new variants. By next year we plan to double the number of dealers,' Jha said.

Brushing aside concerns over the Rs.70 crore debts that the company has already run up, Jha maintained that for a company of HM's size, the debt figure was 'nothing catastrophic'.

'If the current trend of increase in price of raw materials continues, HM will be forced to pass on the cost to the customers. In October this year, the company has already increased the price of its cars between Rs.2,000 and Rs 3,000,' added Jha.

Sougat Sen, senior director SIAM, said: 'The car makers were being hit by rising input prices. However, there has been no corresponding increase in the price of cars which made it all the more difficult for them to sustain it.'

<http://www.centralchronicle.com/viewnews.asp?articleID=52146>