

Hindustan Motors to double Ambassador sales by next yr

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MUMBAI: Buoyed by a boom in the domestic auto sector, auto major Hindustan Motors, today said that it aims to double the sales of its iconic Ambassador car to 24,000 units per annum through launch of new variants.

"We aim to double the sales of our Ambassador model to 24,000 from the present 12,000 per annum in the next 15-18 months," Hindustan Motors' Managing Director Manoj Jha told reporters here.

The company plans to launch six new variants in both passenger and commercial vehicle segments in the next 12-15 months, starting the first quarter of 2011.

"We will launch six new variants in the next 12-15 months and this will help increase our sales," Jha said, adding among the six, four variants would be of the Ambassador.

The company's Ambassador is one of oldest passenger car in the country and is manufactured at the company's Uttarpara facility in West Bengal.

Hindustan Motors has a technical tie-up with Mitsubishi Motors. The company's facility in Chennai manufactures Mitsubishi's Lancer and Pajero vehicles.

HM-Mitsubishi Motors today launched the Lancer Evolution X sedan priced at Rs 49.95 lakh (ex-showroom Delhi) and introduced the new Montero sport utility vehicle priced at 38.95 lakh (ex-showroom Delhi).

"It is a coveted addition to the HM-Mitsubishi product portfolio and will have a major impact in its segment in the Indian automotive scenario," Jha said.

The company's Tamil Nadu plant assembles Mitsubishi's Outlander sport utility vehicle. Hindustan Motors' manufacturing facilities are situated in Madhya Pradesh, Tamil Nadu and West Bengal.

The company will raise the monthly output of its small truck -- Winner -- to 1,000 at its Indore facility which is manufacturing only commercial vehicles.

"The facility has been almost dormant over the last 3 years and only recently become operational and makes 100 vehicles per month. We will ramp-up the monthly output of our small truck to 1,000 at the Indore facility," he said.

Jha, however, did not give any time-frame for this. The company's current debt is at Rs 70 crore, including working capital, he said.

While admitting the company's slow growth in sales, Jha said, "We are confident of doing much better with the launch of our new variants in the coming days."

The car-maker sees an improvement in the auto components business and plans to increase its output.

"Our auto components business is doing well. We have enough capacity -- around 1,000 tonnes each for forgings and castings. We plan to ramp it up in the coming days," he said.

Hindustan Motors makes auto components at its Uttarpara plant in West Bengal.