

## **Hindustan Motors to go for another price cut**

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Auto maker Hindustan Motors has decided to go for another price cut. After reducing the price of Ambassador and Lancer cars last December, the company has decided to cut the price of its light commercial vehicle Winner — the 2.3 ton mini truck as well.

In a media statement issued on Wednesday, the company said that it intends to pass the full benefit of 2% reduction in excise duty to its prospective customers and reduce the price of the mini truck by Rs 7,000 per vehicle on an average with immediate effect.

After the cut, the Winner would be priced at approximately Rs 3.83 lakh, ex-showroom. The mini truck is currently priced at Rs 3.90 lakh ex-showroom.

"We have responded to the government's move by passing on the benefit from the excise duty cut to our customers. This move will certainly help in increasing demand," Mr Ravi Santhanam, managing director, Hindustan Motors, stated in the company release.

This apart, Hindustan Motors also proposes to pass on the duty cut benefit on castings and forgings that it supplies to the OEMs (original equipment manufacturers). Spare parts prices will also be impacted and is expected to come down.

The excise duty cut will have a positive impact on Ambassador cars being sold as 'taxi' as well since the 10% excise duty refund would now go up to 12%. The company is verifying the details of the government's announcement with Society of Indian Automobile Manufacturers (SIAM), the release added.