

## Hindustan Motors to unveil new passenger car

*TIMES NEWS NETWORK*

Kolkata: After swearing by its flagship product Ambassador, Hindustan Motors (HM) is pinning hopes on a new passenger vehicle to turn its sagging fortunes around. The product (only the third to be developed at the Uttarpara plant in the past six decades, the others being the Contessa sedan and the Trekker people-mover) will be unveiled around Pujas.

"HM has been working on a product for over six months. The prototypes are ready and test trials are on within the plant premises. Field trials will be carried out once the vehicle is approved by Automobile Research Association of India," Hindustan Motors managing director R Santhanam said on Tuesday.

Santhanam was in Kolkata to launch yet another variant of the Ambassador; this time a more fuel-efficient diesel engine that promises to do 17 km to a litre against 11 km at present. HM has offered an exchange scheme for taxis with a Rs 35,000 waiver.

Though he refused to disclose the specs of the new vehicle, it could be a people carrier that allows the company to retain its marketshare in the competitive taxi/tourist vehicle market. HM officials claimed the Ambassador has a 25% marketshare in the segment at present with leadership position in West Bengal, Rajasthan and Kerala.

"We want to remain in the top-five in the segments we are currently in," said HM executive vice-president Moloy Chowdhury, giving rise to speculations that the new vehicle was likely to target customers in this segment.

Terming the project as an initiative to offer alternatives to customers, Santhanam acknowledged that Ambassador sales had declined over the years and now cater to a niche market with sales of 12,000 units a year. "The new vehicle, developed entirely in-house, will have mass appeal and boost sales," he said.

Sales of Ambassador cars have nosedived since the 1982 when it faced real competition from Maruti Udyog Ltd, now Maruti Suzuki. Till then, it had only Padmini from Premier Automobiles to content with. With all auto majors making a rush for the Indian market since 1995, sales of Ambassador cars have halved.

While the proposed vehicle has been developed entirely by the R&D team at Uttarpara plant, sources said HM is also working on a small electric car with Mitsubishi Motors, its joint venture partner. The environment-friendly electric I-MIEV (Mitsubishi Innovative Electric Vehicle), a rear engine vehicle that can do around 180 km on a single charge, is likely to be manufactured at its Chennai plant in two-three years.

Meanwhile, the company will further consolidate its position in the SUV segment with the launch of Mitsubishi Outlander in September-October.