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## **Hyundai, Toyota, HM set to join the taxi queue**

**Neha Rishi / DNA**

Following a legislative mandate to phase out cabs more than 25-years-old, one saw Mumbai's traditional taxi fleet of Fiat's Premium Padminis being gradually replaced by modern, swanky cars like Maruti Suzuki Ltd's Omni, Wagon R and Alto.

Now, willing to join the taxi brigade are other auto companies such as Hyundai Motor India, Toyota Kirloskar Motors and Hindustan Motors Ltd.

According to A L Quadros, taximen union leader, Mumbai's total taxi fleet is 55, 000, out of which only 7,000 were asked by the state transport authority to exit. However, till now only 3,500 old cabs have been replaced and the rest are to be replaced in three months. This leaves a huge market to be captured by automakers.

Arvind Saxena, vice-president (sales and marketing), Hyundai Motor India, said, "We have already started getting orders for Santros and the delivery will begin in two weeks. So far, all the Santros that were sold as taxis were through unorganised dealers. But now we will sell the black-yellow metered taxis through an organised channel to capture the large taxi base." Saxena added that they will also tap the luxury cab segment and fleet operators with their Hyundai Accent (CNG).

The company has not yet decided on the pricing of Santro taxis as it is subject to modifications and additions sought by the taximen.

Also, Toyota Kirloskar Motors is targeting the segment with its sports utility vehicle (SUV) Innova.

Sandeep Singh, deputy managing director, TKM, said though demand for small cars is high in the taxi space, Innova will do well as a radio taxi. "The government will soon issue permits in Delhi, National Capital Region and Mumbai for radio taxis. Initially, we don't expect to sell large numbers, but the Common Wealth Games in Delhi and phasing out of old taxis in Mumbai will give a boost to our sales." Singh added that the company's other target segment was fleet operation, which accounted for around 25% of their business till the downturn.

Following the slowdown in the hotel/tourism and IT industries, the business from this segment has gone down to around 15%. TKM will not enter into luxury cabs and corporate taxi segment.

Meanwhile, Maruti said it was confident of retaining its leadership position with an 80% market share despite other players entering the taxi segment.

Mayank Pareek, executive officer (marketing and sales), Maruti Suzuki India, said Omni is the ideal choice for taximen as it is priced at Rs 2 lakh only and has low maintenance costs, yet is spacious.

“We have been receiving repeat orders for Omni from Mumbai. Besides, we have made a breakthrough in Andhra Pradesh taxi market and are going strong in Delhi with Omni and Wagon R.”

For Maruti, not only new cars are selling as taxis, but the used car division is also showing good taxi sales. Parvez Ansari, senior sales executive, Maruti True Value, said in February the firm sold 400 cars as taxis, of which nearly 200 were Omnis. “In March, we have already sold around 250 Omnis for taxis.”

Hindustan Motors is not far behind either. Ambassador will ply on the Mumbai roads as a cool cab and will also tap the corporate taxi scheme with its Lancer and Cedia.

Soni Shrivastav, GM, said the company wants to replicate its fleet operation success in Mumbai, too.