

Eicher sees revival in commercial vehicles segment

Lines up launch of 11 models, 21 variants

OUR BUREAU

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Eicher Motors' customers will see a 'once-in-a-lifetime type of product renewal' in the commercial vehicles segment with the launch of 11 models and 21 variants in the coming year, according to Siddhartha Lall, Managing Director and CEO.

In a teleconference with journalists, he said following over 30 months of downturn in the commercial vehicle sector, Eicher sees a significant revival happen-

ing in about a year. The company is positioning itself with a range of offerings to coincide with the revival, he said.

Beginning with the launch of Eicher's Pro 1000 and 3000 series trucks in the first quarter of 2014 - the company follows the calendar year - it is set to launch the Pro 6000 series in the current quarter, four-five models in the next two and end the year with launch of Pro 8000.

₹2,000-crore capex

Eicher Motors has charted out a capital expenditure programme of over ₹2,000 crore in 2014 and 2015 with about ₹1,300 crore go-

ing into the commercial vehicles business, about ₹600 crore into the motorcycle business - the production and sale of Royal Enfield - and about ₹125 crore into its joint venture with Polaris of the US.

Sale of commercial vehicles in the first quarter was down to 9,800 units, about 21 per cent lower than that in the corresponding quarter last year.

The biggest drop for Eicher was in the heavy duty segment which with sales of 1,420 units was down more than 30 per cent.

In the light and medium duty vehicles spanning 5-14 tonnes, it has gained some ground with

sales of 5,430 units, Lall said.

Motorcycles do well

Sale of two-wheelers, which has hit an unprecedented high, has buoyed the company.

Motorcycle sales jumped 85 per cent during the first quarter to 64,268 units. Its latest launch, the Continental GT is doing well in the developed markets including Europe, the UK, the US, Japan and Australia. The second motorcycle production unit at Oragadam near Chennai, inaugurated last year, is producing about 120,000 units a year, and is set to touch capacity of over 280,000 units by the year-end.