

Bangladesh to take Ambassador taxis, Smart Investor, December 23

Hindustan Motors to enter neighbour's mkt, join hands with local group for assembly unit near Dhaka.

While there has been a sharp decline in the sales of Hindustan Motors' iconic Ambassador car in recent years, the oldest face of the Indian automobile industry may get a new lease on life in Bangladesh's taxicab market.

The CK Birla group automobile company has entered into an "in-principle understanding" with Bangladeshi business conglomerate Intraco Group. The latter is to assemble Ambassadors at a factory being built at Savar, near the Bangladeshi capital of Dhaka. The plant is to come up in two years.

"Initially, we will be exporting the Ambassador to Bangladesh as a complete built unit (CBU), which has already started on a trial basis. When the volume attains a certain number, we will also export this as completely knocked down (CKD). We have entered into an in-principle understanding with Intraco, which will do the assembling and marketing," said Manoj Jha, managing director, Hindustan Motors. "The taxicab market of Bangladesh is huge and we are sure this will augment our volumes.

Though Jha declined to comment on the volumes, an official close to the development said, "They will assemble 200 cars per month initially. Intraco is negotiating with the Bangladeshi government, which will buy the taxicabs. The number is likely to go up.

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