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India's New Ambassador

At the weekend, thousands of Indians got their first chance to poke, kick and pile into the petite car they've been adoring from afar for over a year.



Eric Bellman

With around 400 perky Tata Nanos put on display for consumers across the country for the first time, more Indians will fall for the \$2,000 minicar. For many, the car is more than just a good deal; it represents the potential of the new India. The Nano is India's new ambassador.

Of course, for decades the favorite representative of Indian roads for Indians and Indophiles like myself has been the chubby classic from Hindustan Motors Ltd., appropriately called the Ambassador.

Based on a British Morris Oxford from 1948, the chunky car has changed little since it came to India 60 years ago. The Ambassador looks like a giant tortoise, its new competitor the Nano is more like a wireless mouse.

The bulging Ambassador seems as if it could give birth to a Nano. It's about twice the weight, up to five times the price and gets about half the gas mileage. It comes in two colors: white and silver. The Nano comes in white and silver as well and four other colors including "Racing Red" and "Sunshine Yellow."

“The bulging Ambassador seems as if it could give birth to a Nano.”

The Ambassador sells around 1,000 a month. Tata expects to be able to sell more than 20 times more Nanos once its factories reach full capacity. With many more modern options,

today most Ambassadors are bought for official purposes. Around 60% of them become taxis, another 20% are bought to ferry politicians and bureaucrats around.



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Ambassador Grand

Ambassador fans say the sturdy cars are easy to fix and great for India's rough roads. Expatriates often buy them for their retro look. Still, even die-hard Ambassador enthusiasts will tell you that kitsch comes at a cost.

"Riding in it is like gliding around on your sofa," say ex-ambassador owner Peter Keep. "It was an iconic car to drive or be driven in but I don't think many that have ever owned one would want another one."

After the headlights of his new, \$10,000 Ambassador kept falling off and his windshield wiper went on strike during the monsoon, Mr. Keep's standard question for other Ambassador owners was: "Do bits fall off yours as well? The usual answer was "yes."

The Ambassador hasn't dominated Indian roads since the 80s when Suzuki Motor Corp. took pole position here with its Japanese hand-me-down models built and sold through its joint venture with the Indian government. Still, the two symbols of India's roads represent how the country's economy has changed.



View Full Image: (Hindustan Motors' Ambassador car)



Hindustan Motors' Ambassador car.

The Ambassador arrived just as India was gaining its independence and became the car of choice in the socialist era. It didn't change much over the decades because it didn't have much competition. It stayed stuck in the 40s as control on the country's companies, commodities and foreign currency was more important for the government than promoting innovation.

Today, India's economy is radically different. As companies and consumers have been given more freedom to invest, build and borrow as they please, growth has accelerated. Easier access to international markets has brought new capital and technology and even spawned new industries. The software, call center and outsourcing industries have tapped India's pool of engineers to help protect global companies from computer bugs, build telecom networks and design the computer programs that make Western companies work better.



View Full Image: (Tata Nano)



The Nano is a result of a similar pool of dedicated and educated engineers turning their attention to their home market. Cutting the sticker price of the Nano took hundreds of Tata engineers four years to figure out.

"This car was developed from scratch" to slash costs, said Jai Bolar, one of the five engineers first asked by Tata Motors Chairman Ratan Tata to develop the Nano. "Ratan used to tell us that the only people that could do it is us."

The Nano team grew from five to more than 300 as more experts were called in to rethink everything from the brake system to the engine to the windshield wipers to the way parts would be delivered.

Mr. Bolar, 30 years old, epitomizes the excitement about the new opportunities in India. After getting his masters in automotive engineering in the U.S. and interning at a car parts company in Detroit, he chose to come home and work for Tata. Ten years ago, most engineers would have done whatever they could to stay in the U.S.

As India's consumers get to see what Mr. Bolar and his colleagues have created, many will smile, happy that India's economy is no longer riding on outdated, imported technology.