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## Kamaz Vectra to invest \$5 m at Hosur plant

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**BANGALORE:** Kamaz Vectra Motors Limited (KVML), joint venture automotive company between Russian Kamaz Inc and India's Vectra Group, is expanding its Hosur plant to meet the growing demand for its products in the country.

KVML currently manufactures and sells 'Kamaz 6540' a 31 tonne tipper with horse power of 260 ideal for road projects, irrigation canals, coal mining and large infrastructure projects. Speaking to *Deccan Herald*, KVML CEO Denis Trifonoff said the company will invest about \$5 million next year. "This will be used for capacity building and for bringing out new prod-

ucts. We want to increase our current production capacity of 50 units per month to that of 450 units," he added. KVML started operations in 2009.

The company's localisation efforts now stand at 12 per cent which can be increased to 100 per cent by end of 2013. "Now we are using CKDs from Russia with mere 12 per cent local content. We hope to achieve 30 per cent target next year and 100 per cent localisation with more market penetration by 2012," said KVML CFO Hanuman Sharma. The company is planning to launch a 31 tonne GVW 6X4 truck and long-haul 40 tonne 4X2 tractor for Indian market soon. General Manager Marketing Hemanth Kumar



A Kamaz Vectra truck at its Hosur plant

said the company does not want to enter Indian market in a big way. We want to be in niche segment of heavy duty vehicles with presence in upper and medium

segment. We expect to sell 1,500 trucks next year and this will increase to 7,000 trucks in 2013," he added. Currently the company does not employ dis-

tributors but by the end of this year it plans to appoint six to seven main dealers and 12 distributors on a pan-India basis.

In keeping with cost conscious behaviour of Indian market, the trucks do not feature extravagant cabin trims, or cabin AC and radial tyres as standard fitments. On entering the growing passenger segment, Sharma said the company plans to tap the spurt in public transport spending by government and private enterprises. "We do hope to do that by next year. We have the werewithall to produce complete bus structure which can compete with top manufactures in India," he added.

**DH News Service**