



# “Opportunities exist in the onshore market”



Kamaz Vectra Motors Ltd is an Indo-Russian commercial vehicle joint venture between Kamaz Inc, Russia and the Vectra Group. The Indo-Russian combine recognizes that there is a big space to play between European and Indian specifications. **DENIS E. TRIFONOFF**, Chief Executive Officer, Kamaz Vectra Motors Ltd in conversation with **VIJAYKUMAR NAIR** shares the company's plans to tap Indian onshore market.

**Why have you decided to start with the truck 8x4, which is not widely spread in India, in fact?**

Barclays wealth has two main objectives - firstly to tap the onshore market and secondly Indian bound Investors, both NRI's as well as global. We want to play the role of identifying investment opportunities in India, for both residents and overseas investors. Most of the wealth managers in India including Societe Generale come from NRI's. Opportunities exist in the onshore market. The domestic wealth management market is still at the evolving stage. The market in India is still serviced by (investment) product distributors and banks through their priority banking services. Wealth management as a

product has not yet been established in India.

You are right the volume of such trucks in India is not big. But after deliberate investigation of the market, we have reached the conclusion that Indian customers follow the international tendency in CV; I mean use of stronger and heavier trucks. The advantages of heavy duty 8x4 truck in comparison with 6x4 medium are obvious:

- Higher allowed load capacity on roads (N3 Category).
- Less fuel consumption per ton.
- Less operational expenses per ton.
- Optimal weight distribution on rear bogie and front axles.
- Less stress on tyres and longer operational periods.
- Less stress on critical components (clutch, axles,



## Interview *Material Handling*



brakes, gearbox).

- Less malfunctions and breaks (Less standing idle time)
- Warranty period of 12 months or 75000 km

But 8x4 trucks are treated as a premium class and the cost is very high.

The European Manufacturers have the technology to produce such vehicles and Kamaz Vectra Motors possess such technology. But our constant research at our R&D center, which is one of the largest and professional in the automobile industry, has enabled us to design the truck that not only meets the technical requirements of customers but also the cost expectations. Besides, we have started a wide localizations program in order to substitute the imported parts and components. It helps us in saving the money of our esteemed customers for logistics, import clearance and cost of the components. At the same time, it is very significant to mention, we shall never compromise on the quality of the components. All local components and parts we use in our trucks are international well-known brands tested in our R&D laboratory to ensure they meet high European quality standards.

### **What volume of local parts do you expect?**

We have a three year program. Currently we have achieved 12% of the volume and by 2012 we expect to have not less than 50%, thus making a good Indian vehicle not compromising on quality and standards. The demands of our consumer are never neglected. Not our vendors, but we are responsible for spotless truck operation.

### **India is a competitive market and Kamaz is a newcomer. How do you plan to assure your customers to prefer your company and your products?**

First of all Kamaz Inc and Kamaz Vectra have obvious advantages. We are world known and trustworthy manufacturers having one of the largest Automobile Research and Development centres in the world. We have modern design and specification to meet all customers' requests. We also have special designs for operation in extreme conditions like heat, humidity, altitude, dust etc. Our products have low fuel consumption and low operational as well as maintenance or repair cost. Our products meet the high standards internationally set. We also conduct special training and educational programs in association with training centers, colleges and universities. Kamaz has huge positive experience of operation and servicing in 72 countries along with local assembly facilities to be more flexible and closer to the customers. We also cooperate with leading automobile components manufactures in regions. And the main advantage of our marketing policy is we offer our customers not only vehicles but complete solution of cargo transportation tasks. It includes professional consultancy to decide on the best options, adaptive design of the vehicles under exact requirement, timely delivery, training of drivers and technicians, service and spare parts availability by reasonable price.

Totally it helps to solve any logistic issues and guarantee that Kamaz vehicles will fulfill their main duty- earn money for their owners.

