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Tata Motors bags a lion’s share of bus orders under JNNURM

Ashok Leyland gets orders for 3,200 vehicles.

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Priyanka Vyas

New Delhi, June 3 Tata Motors has bagged a lion’s share of bus orders under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM).

Of the 7,815 buses – for which orders have been placed by various State Governments under the programme – Tata Motors is estimated to have got orders for 4,689 buses.

“Of the order for about 8,000 buses, which has been cleared so far under the JNNURM scheme, Tata Motors has got about 60 per cent,” said a Tata Motors spokesperson in an email response.

Ashok Leyland, the country’s second largest commercial vehicle maker, has got an order of 3,200 buses.

"We have an order of 3,200 units so far. These are fully-built, low-floor buses with certain specifications. We are ramping up production to ensure deliveries in four to six months," Mr Rajive Saharia, Executive Director, Marketing, Ashok Leyland, told *Business Line*.

Players in game

A spokesperson for Eicher Motors said it was against the company policy to disclose its order book while the company was participating in a programme.

Tata Motors and Ashok Leyland are the largest players. Other producers include Eicher Motors, Volvo Buses and Swaraj Mazda. Mahindra & Mahindra and Force Motors also make small buses that are classified as passenger carriers in the light commercial vehicles segment, according to the Society of Indian Automobile Manufacturers.

During 2008-09, sale of Tata Motors' medium and heavy buses dipped 8.83 per cent to 15,442 units. Ashok Leyland too saw a similar decline in sales in the same period, to 16,049 units.

States' orders

The bus procurement scheme of States under the JNNURM was announced as a part of the fiscal stimulus package to provide impetus to the commercial vehicle producers, who were facing a difficult time with sales having nosedived. The deadline is to place an order of 14,695 buses by the end of the month.

According to a statement issued by the Ministry of Urban Development, Andhra Pradesh leads the race in placing orders, having placed an order of 1,500 units.

The others in the fray are Uttar Pradesh at 1,310 units, Maharashtra at 1,250 and Karnataka at 1,100 units. Kerala, West Bengal and Delhi too have finalised their orders recently.