

Ashok Leyland is an Indian automobile manufacturing company headquartered in Chennai, India. It is owned by the Hinduja Group.

Founded in 1948, it is the 2nd largest commercial vehicle manufacturer in India, 4th largest manufacturer of buses in the world and 12th largest manufacturer of trucks globally. Operating nine plants, Ashok Leyland also makes spare parts and engines for industrial and marine applications. It sold around 1,40,000 vehicles in 2016. It is the second largest commercial vehicle company in India in the medium and heavy commercial vehicle segment, with a market share of 32.1% . With passenger transportation options ranging from 10 seaters to 74 seaters , Ashok Leyland is a market leader in the bus segment. The company claims to carry more than 70 million passengers a day, more people than the entire Indian rail network. In the trucks segment Ashok Leyland primarily concentrates on the 16 to 25-ton range. However, Ashok Leyland has a presence in the entire truck range, from 7.5 to 49 tons.



ASHOK LEYLAND

In 2007, the Hinduja Group also bought out IVECO's indirect stake in Ashok Leyland. The promoter shareholding now stands at 51%. Today the company is the flagship of the Hinduja Group, a British-based and Indian originated trans-national conglomerate after Hinduja's bought Iveco's remaining ownership stakes.

Ashok Leyland Defence Systems is a newly floated company by the Hinduja Group. Ashok Leyland, the flagship company of Hinduja group, holds 26 percent in the newly formed Ashok Leyland Defence Systems . The company has a mandate to design and develop defence logistics and tactical vehicles, defence communication and other systems. Ashok Leyland is the largest supplier of logistics vehicles to the Indian Army. It has supplied over 60,000 of its Stallion vehicles which form the Army's logistics backbone.

SWOT analysis of Ashok Leyland

Strength:

The leader in domestic market: Ashok Leyland had a strong market share in the medium and heavy commercial vehicle segment in 2015. It is the 2nd largest manufacturer of commercial vehicles in India, also it is the 4th largest manufacturer of buses in the world. Thus, the strong market position in different domains gives the company a better brand image and wider customer base.

Weakness:

Heavily dependent on the domestic market: In 2015, Ashok Leyland generated 87.3% of its revenues from the domestic market. This makes it vulnerable to any economic and political changes in the country. This gives an advantage to its prime competitor Tata Motors which operates through a wider revenue base geographically.

Opportunities:

Growing global automotive industry: The Global automotive industry has shown constant growth in the recent years and thus creates an opportunities for Ashok Leyland to grab upon. The company should focus on tapping the opportunities created in the global market, especially in the emerging countries to take advantage of the growth in the industry and with it expand its footprint over the globe.

Threats:

Intense competition: Ashok Leyland faces competition from companies like Tata Motors, Mahindra & Mahindra, Eicher Motors, Marcopolo, etc. The government has allowed 100% foreign equity ownership in manufacturing vehicles industry which also leads intensifying competition.

New Delhi: A city bus that Ashok Leyland has just unveiled could help attract the focus again to battery swapping, a cheaper method to operate electric vehicles provided there is infrastructure to replace their power cells frequently. The 'Circuit S', which Ashok Leyland is showcasing at the ongoing Auto Expo 2018, is cheaper to buy as well as operate, compared with other electric buses, the Hinduja Group company claimed. Its vehicle has just one lithium ion battery, compared with a pack of cells in other buses of city buses.

A problem with the single battery is that it needs to be recharged at short intervals, but in city buses, that can be addressed by changing the battery at the layover time. Since the battery pack accounts for 50-60% of the cost of electric vehicles, swapping helps reduce the bus price, said the company.

The idea of running large vehicles using battery swapping was initially proposed by Ashok Jhunjhunwala, a professor at IIT-Chennai and adviser to the union government on electric mobility. But many had scoffed at the idea due to unavailability of associated infrastructure.

Ashok Leyland, India's largest bus maker, took up the challenge to prove the critics wrong by making a commercially viable bus based on battery swapping. It developed the Circuit S in partnership with Sun Mobility, a company cofounded by Chetan Maini — the man behind India's first electric car, Reva.

The bus is targeted at operators plying on city routes. City buses have fixed route kilometres, so the battery can be changed between trips.

According to Ashok Leyland, as much as 85% of the city routes in India are shorter than 35 kms. In 60% of cases, it is less 20 km. The city bus requirement in India is estimated at 7,500-10,000 a year. The company estimates that buses based on battery swapping have the potential to corner 6,000-8,000 of that market. ([Economic Times](#))

A 500-kg battery in the Circuit S bus can be replaced in 2.5 minutes, Ashok Leyland managing director Vinod Dasari said. He said the company will not limit its focus to city buses alone. As volume picks up, there is a sizeable opportunity to scale up battery swapping to school buses, shift buses and even long-distance buses, he said. [\(ET Magazines\)](#)

Under the current plan, Ashok Leyland will provide the bus while Sun Mobility will arrange support infrastructure and services such as charging stations and reinstalling of the battery. Ashok Leyland will pay Sun Mobility on the basis of the electricity consumed to recharge the batteries.

Conclusion: I think The move makes excellent sense. A dependable battery swap scheme can purposefully fastforward usage of EVs nationally. The way forward is to install solarpowered chargers, especially in dense urban centres to begin with. It would be path-breaking. Solar-powered chargers for EVs would proactively bring down the carbon footprint in transportation. Note that Delhi Metro plans to draw power from the 750-MW Rewa ultra mega solar project in MP.