

TIPPING OVER Commercial vehicle makers will have to make huge investments to meet the new axle norms

New freight norms to burden truck makers hit by BS-VI

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Mumbai: A new notification by the government allowing transporters to raise freight load in trucks has come at an “inappropriate time”, claim original equipment manufacturers (OEMs) as they struggle to meet the deadline for new BS-VI emission norms that will kick in April 2020.

Executives at truck manufacturers said the BS-VI norms deadline is already demanding due to huge engineering changes, and the required modification will make it challenging further.

As per the new norms that bring India on par with international standards, the

gross vehicle weight of a two-axle truck has been increased to 18.5 tonne from the existing 16.2 tonne. Similarly, the gross vehicle weight for a three-axle truck has been increased to 28.5 tonne from 25 tonne. Likewise, for a five-axle truck, the vehicle weight has been increased from 37 tonne to 43.5 tonne. For tractor-trailers, the limit has been raised by 36%.

The companies are already making huge investments in BS-VI norms and the new axle norms would add to it and hit their bottom-line further.

Vinod Sahay, CEO, Mahindra Trucks & Buses, said he did not see any impact on



EXTRA LOAD

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- The OEMs are unlikely to lose market share because none of them produces trucks as per in new norms

sales because the new law allows additional freight weight that can be leveraged on the truck which remain unused earlier.

“However, the major challenge is that the development

on BS-VI is already going on at the moment, and then bringing out vehicles as per the new axle norms require modification of engineering and certification. For example, getting the tyre specifi-

cation as per the new norms will also take a long time.”

However, industry insiders claim that though there is a likelihood of reduction in demand for new CVs, the OEMs are unlikely to lose

market share because none of them produces trucks as notified in the new norms. “It will take the OEMs at least a year to come out with the trucks meeting the norms of the new notification,” said another executive from an OEM.

A Tata Motors spokesperson said that notification by the government related to increased axle load is being studied with respect to engineering and certification implications.

“We will come back with a studied response accordingly,” the spokesperson said.

Ashim Sharma, partner and group head, Nomura Research Institute Consulting, said while the new norms

may lead to decrease in immediate demand for new CVs, it may raise the demand for higher powered trucks.

Udit Sheth, vice chairman, Setco Automotive, a component manufacturer for truck industry, said that the impact will be positive for the industry as it will have a domino effect and replacement demand will pick up. Analysts claim that demand for heavy-duty CVs has been on rise in India for the past several quarters and one of the prime reasons has been the strict action being taken in some states against overloading, which has been one of main reasons for the high number of accidents in India.

