

## ROYAL ENFIELD TO HIKE CAPACITY TO 1.5L

**New Delhi, Feb. 13:** Royal Enfield, the two-wheeler arm of Eicher Group, is looking to increase its production capacity beyond 1.5 lakh units per annum by 2014 as it looks to strengthen position in the niche bike market.

The company, which is currently setting up a new plant near Chennai with an investment of ₹150 crore, expects to begin production from within two months.

“With our new plant at Oragadam (near Chennai) going live within the next few months, we will have a total combined capacity of 1,50,000

units in 2013. We are already working to increase it beyond that by 2014,” Eicher Motors Ltd MD and CEO Siddhartha Lal, said in a teleconference.

The company currently manufactures bikes at Tiruvottiyur plant in Chennai.

With the new capacity coming in, Mr Lal said the company hopes to reduce the waiting period for the Royal Enfield bikes, which is between six and eight months. Royal Enfield has been growing at over 50 per cent in the last two years.

— *PTI*