

# Ashok Leyland to launch vehicle scrappage facility, digital platform for old vehicles

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Ashok Leyland is preparing to launch its first-ever vehicle scrappage facility under a franchise model.

The company has finalised an agreement with Registered Vehicle Scrapping Facility (RVSF).

"This places AL in a strategic position on our road to circularity and reducing our environmental footprint," said the company's annual report for FY24.

The Hinduja flagship is also developing a digital platform named Re.AL for the used vehicle business. This platform will help customers resell their vehicles in compliance with the

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government-mandated vehicle scrappage policy.

#### **ALTERNATIVE TECH**

Ashok Leyland, a leading truck and bus manufacturer, anticipates that the commercial vehicle industry's growth will be driven by replacement demand, mandatory scrapping of older government vehicles

and steady macro-economic growth. Dheeraj Hinduja, Chairman of Ashok Leyland, mentioned in the annual report that the company is preparing to offer a range of products powered by alternative fuel technologies, including battery-powered vehicles, with several such products currently undergoing trials.

It is focusing on alternative technologies such as battery electric, hydrogen ICE, fuel cell, LNG, and CNG. "The company is fully geared to offer clean energy options beyond electric propulsion as well. The CNG and LNG trucks and buses are already operational, initiatives in methanol as a new energy fuel is well underway and the prototype green hydrogen trucks have been deployed in actual

operating conditions. In short, Ashok Leyland is future-ready to offer a full suite of clean energy vehicles. The EV sector is expected to be buoyant from now on enabled by supportive governmental measures," Dheeraj said.

With multiple new products across various fuel segments in the pipeline, the company's R&D spend as a percentage of turnover increased to 1.30 per cent in FY24, up from 1.19 per cent in FY23.

While advancing new energy technologies, the company is also expanding its range in the traditional ICE segment to fill market gaps. It plans to launch at least half a dozen new products in the light commercial vehicle space this fiscal.

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