

Dangote Sinotruk Automobile expands to increase local input

As the budding automobile company, Dangote Sinotruk West Africa Limited entered another phase in its expansion drive, the company has said that it was increasing its local input into the assembling plant to up to 60%, even as it plans to roll out commercial vehicles soon.



L to R Group general manager of Dangote Sinotruk West Africa Limited, Hikmat Thappa; Lagos state director of commerce, Akeem Adeniji; Lagos state commissioner for commerce, industry and cooperatives, Olayinka Oladunjoye; Dangote Sinotruk general manager, Prakash Kharat during the Lagos state commissioner for commerce on a facility tour of Dangote Sinotruk Assembly plant in Ikeja Lagos

The expansion drive, which is part of the backward integration plan, is meant to enhance value addition and local content.

Group general manager of Dangote Sinotruk Automobile, Hikmat Thapa made this known during a facility tour of the Ikeja plant by the Lagos State Commissioner of Commerce, Industry and Cooperatives, Olayinka Oladunjoye.

He said having done with the phase one of the project, the company has embarked on phase two which has to do with adding of the facility for cab welding, painting and trimming.

Thapa stated that the third phase of the project expansion would be to add the facility that would be used to fabricate, paint and assemble the different type of trailer bodies, load bodies with dual and triple axles, tipper bodies and tankers and so on.

He explained that Dangote Sinotruck has installed capacity to assemble and produce 15–16 trucks per shift or 10,000 trucks annually and will create over 3,000 different jobs across Nigeria.

Thapa added that the company has the plan to have welding and paint shops to fabricate and paint truck cabin and trailers of different type so as to enhance local content of Completely Knocked Down (CKD) operation of commercial vehicle manufacturing,

“In next one year, we have on our agenda to assemble and fabricate truck cabins, the different type of trailers, tipper bodies and tankers etc. in our plant to increase value additions up 40–60%”

Expanding beyond borders

The automobile company said it hopes to expand sales to all the neighbouring West African states saying “we are targeting to sell our products to ECOWAS countries in addition to fulfilling the local market requirement.”

The commissioner expressed surprise at the level of activities going on at the plant and commended the entrepreneur spirit of Alhaji Aliko Dangote, the chairman of the company whose businesses are geared towards touching lives.

Oladunjoye was optimistic that with the level at which the company was going, it will soon be a matter of time when Nigerians would have the opportunity to purchase cheap vehicles.

Creating jobs

He enjoined other businessmen to emulate Alhaji Dangote in the efforts to create jobs through manufacturing rather than importation of finished products. She promised to relay the message of what she saw back to the state governor.

Dangote Sinotruk West Africa Limited is a Joint Venture between Dangote Industries Limited and Sinotruck of China with the total investment of \$100m formed for assembling the different type of trucks, with the Nigerian Dangote Industries owing 65% equity and 35% by Sinotruk.

The company is established to assemble and produce a full range of commercial vehicles covering heavy duty truck, medium truck, light truck and other semi-trailers.

It aims to meet an expected current demand of the segment of Automobiles required for logistics, construction, food & beverage industries in Nigeria to support the government’s efforts on boosting the economic development across the country.

The objectives of establishing Dangote Sinotruk West Africa Limited is to provide employment opportunities to Nigerians, improve local automobile industry, add equipment base and achieve technological advancement in Nigeria, and in turn to promote the economic development in Nigeria

The company is also to form a production hub in Lagos for heavy-duty and light-duty trucks and commercial vehicles in West Africa. With the formation of the production base which will not only serve the market demands in Nigeria but also can fulfil the requirements of neighbouring ECOWAS countries.