

Isuzu to use HM's Chennai facility for manufacturing SUVs, pick-ups

Auto Bureau

New Delhi, June 28: Japan's Isuzu Motors has finalised an agreement with Hindustan Motors (HM) to contract manufacture SUVs and pickup trucks at HM's plant in Chennai, Tamil Nadu. The components for producing these vehicles will be imported by Isuzu Motors from Thailand.

Isuzu started its domestic operations last fiscal by importing fully-built units of the MU7 SUV and DMAX pickup truck from its Thailand plant and has set up two dealerships in Coimbatore and Hyderabad. The arrangement with HM will help the company arrive at a lower price tar-

get, before its own 1.2 lakh units per annum manufacturing plant at Sri City, Andhra Pradesh begins operations by 2015. The company is investing ₹1,500 crore in its own facility over 5-7 years.

Takashi Kikuchi, president, Isuzu Motors India, said, "We are very confident about the growth prospects of the SUV and LCV market in India, notwithstanding the current slowdown. We would now like to accelerate and carry forward this positive momentum and expand our sales operations in other parts of India, starting with the Southern region". Isuzu plans to expand its dealer network to 9-10 by the end of the year.

Vehicle dependability in India falls for second year: JD Power

New Delhi, June 28: The overall long-term dependability of vehicles in India declined for the second consecutive year, with owners reporting a 24% increase in problems in 2013, according to a study by market research firm JD Power. In 2013, overall vehicle dependability averaged 280 problems per 100 vehicles compared with 225 in 2012, said Asia Pacific 2013 India Vehicle Dependability Study. The overall dependability is based on the number of problems reported per 100 vehicles.

PTI