

## Hindustan Motors to contract-manufacture for Isuzu Motors, Overdrive, July 1



Maker of the iconic Ambassador, Kolkata-based Hindustan Motors Ltd. (HML) has signed an agreement with Isuzu Motors India to contract-manufacture Isuzu SUVs and pick-up trucks in India. Isuzu Motors India is the local arm of the Japanese auto major Isuzu Motors.

As per the tie-up, the parts for the manufacture of these vehicles will be imported from Thailand by Isuzu Motors and assembled by Hindustan Motors in Tamil Nadu. The HML's manufacturing unit is located at Thiruvallur, near Chennai.

Isuzu has recently launched its MU-7 SUV and the D-MAX pick-up truck. This collaboration is likely to help the Japanese company to increase sales and thereby grow its footprint in the Indian market. This move will boost Isuzu's market presence even before its unit in Andhra Pradesh becomes functional.

"The collaboration with Hindustan Motors will support us by carrying out assembly of our products at Thiruvallur which is about 70kms from Sri City, Andhra Pradesh, where our own local manufacturing facility is planned to come up," said Takashi Kikuchi, president, Isuzu Motors India.

HML has had a previous relationship with Isuzu. In the late 1980s, the two auto majors had an agreement to produce the Isuzu 1.8 and 2 litre engines in India. "Hindustan Motors Limited and Isuzu Motors have enjoyed good historical relationship, and know each other as business partners very well. The Thiruvallur facility is one of the best automotive manufacturing facilities in India, and can meet the high quality standards of Isuzu Motors," added Kikuchi.

Uttam Bose, MD and CEO, HML, said that the collaboration with Isuzu Motors was centered around the high-end manufacturing facilities at HML's Thiruvallur plant and that it would enable the company use its production capacity beneficially. He also went on to say that it makes "eminent business sense at a time when the Indian economy and the automobile industry, in particular, are passing through testing times. Today's agreement with Isuzu is a strategic move to keep Hindustan Motors on the growth path."

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