

HM to contract mfg Isuzu SUV

TIMES NEWS NETWORK

Kolkata: Hindustan Motors (HM) has signed an agreement with Isuzu Motors India, a subsidiary of Isuzu Motors Ltd, Japan, on Friday for contract manufacturing of Isuzu SUVs and pick-up trucks in its Chennai facility. The components for



Isuzu truck

producing these vehicles will be imported by Isuzu Motors from Thailand and assembled in HML's factory at Thiruvallur, near Chennai. HM managing director Uttam

Bose said Chennai plant has an unutilized capacity of 50%, which will be neutralized through this agreement.

Currently, the Chennai unit of HM is producing for Mitsubishi. "Our agreement for contract manufacturing of Isuzu's globally renowned vehicles is a testimony to the state-of-the-art manufacturing facilities at our Thiruvallur plant. The operations will enable HML to optimally utilize its spare capacity," he added.

HM has already decided to demerge and transfer its Chennai Car Plant (CCP) to its fully owned subsidiary Hindustan Motor Finance Corporation Ltd (HMFCL). The remaining business and interests of HM will continue to belong to and be man-

aged by HM. When asked whether HM will induct Isuzu as partner for the demerged entity, Bose did not offer any comment.

An Isuzu official said it is very confident about the growth prospects of the SUV and LCV market in India, notwithstanding the current slowdown.

"We are also very happy with the positive feedback of the market to our MU7 SUV and DMAX pick-up truck, which we launched in Coimbatore and Hyderabad in March this year by importing these from Thailand. 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 South," he added.

The Times of India

June 29, 2013

Kolkata