

Hindustan Motors open to talks with other auto-makers for Chennai plant, The Economic Times, January 15

KOLKATA: C K Birla auto maker Hindustan Motors (HM) is open to talks with other auto-makers for utilising the surplus capacity at its Chennai plant which was demerged recently.

"We are open to talks with other automakers as we have substantial capacity at the Chennai plant. After the demerger, HM will particularly focus on the SUV segment," Uttam Bose, managing director & CEO, HM, told mediapersons last night.

The company set up the Chennai plant to manufacture Mitsubishi's sedan Lancer in technical collaboration with the Japanese car maker. Presently, the Chennai plant sells nearly 2,000 units of SUVs, namely Pajero and Outlander, compared to its installed capacity of 24,000 units per annum. Early January 2013, HM demerged the Chennai plant and transferred to its subsidiary HM Finance Corporation.

Elaborating further, Bose said that the Chennai plant was making profits adding that the Uttarpara plant in West Bengal which manufactures the traditional Ambassador car would break even by March this year. He said that this would be made possible by increasing margins and reducing costs. HM plans to sell around 5,000 units of cars and SUV during the current fiscal.

http://articles.economictimes.indiatimes.com/2013-01-15/news/36352858_1_chennai-plant-uttarpara-plant-hm-plans