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Hindustan Motors to roll out Isuzu trucks, SUVs, Business Standard, June 28

Kolkata-based Hindustan Motors Ltd (HML) said Friday it will contract manufacture sports utility vehicles (SUV) at its Thiruvallur plant near here for Isuzu Motors India Private Ltd.

In a statement issued here, Hindustan Motors said it has signed a contract manufacturing agreement with Isuzu Motors India, a subsidiary of Japan's Isuzu Motors to roll out SUVs and pickup trucks.

"The components for producing these vehicles will be imported by Isuzu Motors from Thailand and assembled in HML's factory," the statement said.

"We are very confident about the growth prospects of the SUV and LCV (light commercial vehicles) market in India, notwithstanding the current slowdown," Takashi Kikuchi, president, Isuzu Motors India, was quoted as saying in the statement.

Currently, Isuzu Motors India imports its MU7 a SUV and DMAX pickup truck as completely built units 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 southern region," Kikuchi said.

Isuzu Motors India is setting up its own plant at Sri City in Andhra Pradesh, around 70 km from here, and the tie up with HML will enable it to scale up its sales operations ahead of its own facility.

Isuzu Motors India had earlier said it plans to invest around Rs.1,500 crore over a seven-year period.

The contract manufacturing agreement will enable HML to optimally utilise its space capacity at its Thiruvallur plant where it rolls out Mitsubishi Motors SUVs.

"Today's agreement with Isuzu is a strategic move to keep Hindustan Motors on the growth path," Uttam Bose, managing director and CEO, HML was quoted as saying in the statement.

The statement was silent on the volumes that HML would assemble for Isuzu Motors India or the duration of the agreement.

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