



Hindustan Motors inks assembly deal with Isuzu, Power Drift, June 29



Hindustan Motors has inked a deal with Isuzu motors to contract assemble the Japanese automaker's vehicles at its factory in Tiruvallur near Chennai. The parts for the vehicles will imported from Isuzu's facility in Thailand and assembled locally, however, there is no word on when the assembly of vehicles will begin or the volumes.

Isuzu entered the Indian market earlier this year with its MU-7 SUV and DMAX pickup truck. It currently has two showrooms located in Hyderabad and Coimbatore and will begin soon building a new facility at Sri City industrial area near the AP-TN border. This move it seems is an interim arrangement till Isuzu's plant is completed, most likely in 2015.

Hindustan Motors had been on a hunt for an SUV maker over the last few months. It had recently announced that the plant, located at Tiruavllur, will be demerged and be transferred to its fully owned subsidy Hindustan Motor Finance Corporation limited. The Tiruvallur plant was being used to assemble the Mitsubishi Pajero Sport and the Mitsubishi Outlander but since Mitsubishi has no equity participation, the plant is owned entirely by HM, hence the Isuzu deal. It must also be noted that Mitsubishi is currently not doing too well, having closed down three of its models within a span of just two months.

<http://www.carwale.com/news/10718-hindustan-motors-inks-assembly-deal-with-isuzu.html>