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HM to roll out niche Mitsubishi model

CK BIRLA-controlled Hindustan Motors Ltd (HM) plans to launch a niche vehicle from the Mitsubishi Motors stable soon. The new product is likely to be along the lines of a James Bond-like automobile and is expected to fire up Mitsubishi Motors' portfolio in India.

"We are gearing up for the launch of a niche vehicle, hopefully, within this year, for which we are awaiting requisite homologation from the Automotive Research Association of India (ARAI)," HM managing director R Santhanam said on the sidelines of the company's 67th AGM on Friday. He refused to comment on the price bracket for the new car. HM will invest Rs 75 crore in its Uttarpara factory to expand its castings and forgings business and to set up an assembly line for Winner, the mini truck launched recently.

The company is hopeful of moving ahead with its real estate project at Uttarpara within this fiscal. "Sale of the fifth and final lot of land will be made to Bengal Shriram Hi-Tech City during the current fiscal for an auto ancillary park and IT township on 314 acres near our Uttarpara factory," HM chairman C K Birla said.

On Friday, HM reported a higher net loss of Rs 21 crore in the first quarter of 2009-10 against a net loss of Rs 8.36 crore in the first quarter of 2008-09. The company's turnover plunged to Rs 119.95 crore during April-June 2009-10 against Rs 188.72 crore in the Q1 of 2008-09.

However, HM managed to reduce its expenditure during the quarter, which was at Rs 140.44 crore against Rs 196.25 crore in the year-ago period.