

Hyundai signs ₹20,000-crore investment pact with Tamil Nadu

G Balachandar
Chennai

Hyundai Motor India Ltd (HMIL) has signed an agreement with the Tamil Nadu government for a large-scale investment of ₹20,000 crore to be spent over 10 years (2023-2032) for expansion of the electric vehicle segment.

It may be noted that *businessline* had reported on Wednesday (May 10) that the company was preparing to announce its next big investment outlay in the range of ₹15,000-20,000 crore.

The proposed investment will be spent in establishing an EV battery pack assembly unit, development of new vehicle platforms (such as EVs) and new models, and ramp up of production capacity, among others.

“The proposed new investments would result in the cre-

ation of direct jobs for 15,000 people,” Tamil Nadu Chief Minister MK Stalin said.

EXPORT HUB

The company's Chennai factory will be developed as an EV supply hub for export markets. Overall, the Chennai operations will become a “mother plant” to serve the needs of emerging global markets.

The company will also be investing in increasing the production capacity of the Sriperumbudur factory near Chennai, to 8.5 lakh units per year from the current 7.7 lakh units

“The company will set up a state-of-the-art battery pack unit with a capacity to assemble about 178,000 units per year,” Unsoo Kim, MD & CEO, HMIL, said.

The company is likely to invest ₹728 crore in setting up the battery pack assembly operations.