

Hyundai acquires General Motor's Talegaon plant



The Bombay High Court in January disposed of petitions of employees' union challenging General Motors India's decision to close down the plant

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Hyundai Motor India Ltd (HMIL) on Friday said it has completed the acquisition of General Motors India's Talegaon plant in Maharashtra. The South Korean carmaker said it will invest ₹6,000 crore in the state.

The company did not disclose the amount it paid the American firm for the plant. HMIL, the second-largest carmaker in India after Maruti Suzuki, had previously signed a term sheet with General Motors India for the potential acquisition of the plant.

The Bombay High Court in January disposed of two writ petitions filed by an employees' union challenging an industrial tribunal's orders allowing General Motors India to close down the Talegaon plant, noting accumulated

losses of ₹9,656.87 crore as of 2021-22. HMIL said in a statement the acquisition was completed post fulfilment of certain conditions and receipt of regulatory approvals from government authorities and stakeholders.

"An MoU has been signed between Hyundai Motor India and Government of Maharashtra in the presence of Uday Samant, Minister of Industries, Government of Maharashtra, and Un Soo Kim, MD & CEO, Hyundai Motor India Ltd, in Davos on January 18, 2024," said Hyundai.

"As we look forward to the next decade of progress for Hyundai Motor India, it is critical for us to augment our manufacturing capacity in India. The plant will play the role of a catalyst in achieving HMIL's one million annual production capacity milestone," said Un Soo Kim.